



Daily Report

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Daily Report

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General

Qian Qichen Article Discusses Foreign Affairs

OW1412075390 Beijing XINHUA in English
0734 GMT 14 Dec 90

[Text] Beijing, December 14 (XINHUA)—Chinese Foreign Minister Qian Qichen believes that the relaxation of U.S.-Soviet relations and the reduction of military confrontation have made it possible for world peace to last for a fairly long time, as the danger of a new world war is fading.

He makes the prediction in an article he contributed to the latest issue of the magazine "SEEKING TRUTH", which is to come off the press tomorrow.

He points out, however, that the rapid changes in the international situation contain factors for new disturbances. Actually, new contradictions have taken shape and are becoming more acute.

Qian says that the present-day world is in a "transitional period in which the old pattern has been shattered while the new one has not taken shape."

He describes the characteristics of the international situation in this period as full of "unpredictable changes and unexpected events."

He says that such an international situation calls for the establishment of a new international order which should be based on the equality of all countries, big or small, rich or poor and strong or weak.

Under such an order, all countries should handle their political and economic relations in accordance with the five principles of peaceful coexistence, he stresses.

In the article, Qian also reviews China's foreign affairs achievements during the past year.

These include the improvement of China's relations with its neighbors, the consolidation of unity and co-operation with the Third World countries, and China's work to help resolve regional disputes such as the Gulf crisis and the Cambodian question, as well as the relaxation and improvement of China's relations with the Western countries.

On the strength of its successes in foreign affairs, Qian concludes, he and his colleagues have full confidence in the future.

Importance of Relations With Neighbors

OW1412084590 Beijing XINHUA in English
0833 GMT 14 Dec 90

[Text] Beijing, December 14 (XINHUA)—Chinese Foreign Minister Qian Qichen said that in the past year China has attached special importance to improving and

developing good-neighborly and friendly relations with peripheral countries in the course of preserving world peace.

Qian made the statement in an article entitled "The Changing International Situation and China's Foreign Affairs" in the latest issue of "SEEKING TRUTH" magazine.

He said that in May last year General Secretary of the Central Committee of the Communist Party of the Soviet Union Mikhail Gorbachev paid a visit to China, and the two countries normalized their relations. Last April, when Chinese Premier Li Peng visited the Soviet Union, both sides had an in-depth exchange of views on future co-operation; six documents and agreements were signed.

To develop good-neighborliness on the basis of peaceful coexistence and equality and mutual benefit is in keeping with the interests of both the Chinese and the Soviet people as well as of peace in Asia and the rest of the world, Qian said.

He noted that the traditional friendship was further consolidated between China and the Democratic People's Republic of Korea (DPRK). The visit by General Secretary of the Chinese Communist Party Central Committee Jiang Zemin to the DPRK last March brought the bilateral relations closer. Proceeding from peace and stability on the Korean peninsula and Korea's national reunification, China supports the proposals for promoting peaceful reunification advanced by the DPRK Government. It is China's hope that the high-level contacts between the North and South will continue, he added.

The minister said that the China Chamber of Commerce and the relevant economic organizations in South Korea will open trade offices in each other's country in a bid to boost trade, mutual investment and scientific exchanges.

On the topic of Japan, Qian said that Japan is an important neighbor of China. The relations between the two countries have been growing in the direction of restoring normalcy. In the latter half of this year Japan took the lead in resuming loans to China, playing a positive role in loosening the sanctions on China imposed by Western countries.

The foreign minister said that the relations between China and the ASEAN countries have also made great progress. Last August China and Indonesia restored diplomatic relations. Following that came the official establishment of diplomatic relations between China and Singapore. In August and December this year Premier Li Peng paid two visits to the Southeast Asian region.

The development of relations between China and ASEAN will not only contribute to economic co-operation, but also facilitate the settlement of the Cambodian question as well as peace and stability in the region, he said.

He pointed out that it is an integral part of China's policy of improving relations with peripheral countries to strengthen and develop the traditional relations of friendly co-operation with South Asian countries. Headway has been made in developing the traditional friendly relations between China and Pakistan, Bangladesh and Nepal.

He said that Sino-Indian relations have markedly improved; the Chinese Government appreciates the positive attitude of the Indian Government in its willingness to improve bilateral relations.

Qian said that the normalization of relations between China and Mongolia is conducive to stability and development in the northern part of China. Also last year, China normalized relations with Laos.

"We hope that Sino-Vietnamese relations can also be normalized and that the traditional relations of friendly co-operation will be fully restored. But that depends on an early, comprehensive and political settlement of the Cambodian question," he said.

Position on Cambodia, Gulf Crisis

*OW1412092790 Beijing XINHUA in English
0915 GMT 14 Dec 90*

[Text] Beijing, December 14 (XINHUA)—Chinese Foreign Minister Qian Qichen says that to maintain world peace China has been working hard to help resolve regional disputes by peaceful means.

Qian makes the statement in an article he contributed to the latest issue of the bi-weekly magazine "SEEKING TRUTH."

Discussing the Cambodian question, he says that the Chinese Government has taken a series of steps in the past year, including contacts with top Vietnamese leaders, to implement the five framework documents formulated by the five permanent members of the U.N. Security Council for an all-round political settlement of the Cambodian issue.

He notes that the co-chairmen of the international conference on Cambodia—France and Indonesia—together with the five permanent members of the U.N. Security Council and the representative of the U.N. secretary general, have completed the drafting of the documents for an all-round settlement of the Cambodian question.

"We sincerely hope that the various parties in Cambodia will, with a reconciliatory attitude, make consultations and reach agreement on the formation of a Supreme

National Council and elect Samdech Norodom Sihanouk chairman of the council," the Chinese foreign minister says.

He reaffirms China's position on the Gulf crisis, namely, to resolutely oppose Iraq's invasion and annexation of Kuwait and strive for a peaceful settlement of the crisis.

He stresses that China seeks no selfish interests in the Middle East and the Gulf and has always supported the just cause of the Arab and Palestinian peoples.

With the establishment of diplomatic relations with Saudi Arabia last July, China has fostered friendly ties with all the Arab countries.

The Arab countries, although having differences among themselves, all accept China's principled position on the Gulf crisis. And China's position has found wide support throughout the world because it reflects the common demand of most of the countries, Qian says.

He continues that China, as one of the five permanent members of the U.N. Security Council, has made its own contributions to a peaceful solution of the Gulf crisis.

Pointing out the grave situation in the Gulf, he says that the danger of war as well as the call for a peaceful settlement of the crisis are intensifying.

More and more countries have realized that the outbreak of war will be a catastrophe for the region and the world as a whole, Qian says.

Expressing appreciation for the U.S. willingness to have direct talks with Iraq, he says he believes that there still exists a chance for a peaceful solution.

"So long as there is a shred of hope, we should all work for a peaceful settlement. China, which did so in the past, will continue to work for a peaceful solution of the Gulf crisis together with the international community," he concludes.

Qian on Changing World Order

*OW1412082390 Beijing XINHUA in English
0812 GMT 14 Dec 90*

[Text] Beijing, December 14 (XINHUA)—The world is in a transition period in which the old structure has been broken and a new one has not yet been built, wrote Chinese Foreign Minister Qian Qichen in an article recently.

Entitled "The Changing International Situation and China's Foreign Affairs," the article says, "during this period, the international situation is changeable and elusive, and unexpected events will crop up."

The world is uneasy since entering the 1990s, says the article carried in the latest issue of "SEEKING TRUTH" magazine, the theoretical biweekly of the Chinese Communist Party's Central Committee.

It notes that as the relations between the United States and the Soviet Union are relaxing and the military confrontation between the two countries is weakening, a new world war is unlikely to break out and there will be a fairly long period of peace.

However, the article says, contrary to some people's predictions, detente, compromise and even co-operation between the United States and the Soviet Union are not bringing peace and tranquility to the world.

It says the rapidly changing international situation is brewing new factors of unrest; new contradictions have taken shape and are sharpening.

It says Iraq's invasion and annexation of Kuwait have affected the situation as a whole and of course are firmly condemned and rejected by the international community. Moreover, the military involvement of big countries in this region has made the issue more complicated.

Following Germany's reunification, the post-war Yalta structure has been broken up and the two superpowers can no longer monopolize international affairs, the article says.

A multi-polar world is forming, the article notes. The United States is still the world's most powerful country militarily and economically. The Soviet Union is the only country which is able to stand up to the United States militarily. The European Community is actively trying to become an independent entity. United Germany will become an important force to influence the European and international situations. Meanwhile, Japan's economic strength is increasing and its tendency to seek a big power position politically is becoming more and more obvious, Qian says in the article.

U.S. Relations, Openness Discussed

OW1412074690 Beijing XINHUA in English
0735 GMT 14 Dec 90

[Text] Beijing, December 14 (XINHUA)—China practices an all-directional policy of opening to the outside world and maintains a practical attitude in international affairs, Chinese Foreign Minister Qian Qichen said in an article.

Foreign countries are increasingly willing to co-operate with China. However, China will never beg from any other country, Qian added.

The Chinese foreign minister made the statement in an article published in the latest issue of the bi-weekly "SEEKING TRUTH".

Dwelling on the changing international situation and China's success in foreign affairs in the past year, Qian said, "We are full of confidence in the future, although we are still facing difficulties."

He held that the stability of China's internal situation and its economic development have laid a solid foundation for the expansion of its foreign relations.

Qian said that in the past year and more some developed Western countries interfered in China's internal affairs, exerting political pressure and economic sanctions on China. But facts have shown that China has neither submitted to force nor found itself in an isolated position.

"China has been becoming more and more stable politically, socially and economically. It has continued its policy of reform and opening to the outside world. It has made breakthroughs in its foreign relations," Qian declared. He noted that with the beginning of the implementation of the third batch of Japanese loans, the relations between China and Japan are being gradually restored. The European Community lifted its sanctions against China recently and restored normal relations with the country. Earlier, some countries resumed export credit guarantees and government loans.

He went on that in the past year Chinese leaders have met with many political figures and businessmen from Western countries, greatly promoting mutual understanding. During the recent 45th U.N. General Assembly the Chinese Foreign minister met with foreign ministers, government leaders and heads of state of more than 60 countries, and held talks with foreign ministers of all the principal Western countries. "All the meetings were held in an atmosphere of friendship and realism," he added.

Qian pointed out that Sino-U.S. relations are gradually improving. He noted that the Chinese foreign minister's recent official visit to the U.S. in response to an invitation was an important step in improving the relations between the two countries. Both American Government officials and public leaders share the desire to restore normal U.S.-China relations as soon as possible, he said.

However, he added, there are still some Americans who are making indiscreet remarks on the internal affairs of another country. "It is our hope that they will keep in mind that causing trouble with China could cause difficulties for their own country," he said.

China has been conducting effective co-operation with the U.S. both within and outside the U.N. in dealing with the Gulf crisis and in seeking a political solution to the Cambodian issue. Isolating China will by no means conform with the interests of the U.S. in international affairs, he stressed.

Qian said that China will not change its course of reform and opening to the outside world and will never again close its opened doors. "We are implementing an all-directional policy of opening to the outside world," he said.

Urges New International Order

OW1412074090 Beijing XINHUA in English
0712 GMT 14 Dec 90

[Text] Beijing, December 14 (XINHUA)—China is calling for the establishment of a new international political order, Chinese Foreign Minister Qian Qichen

said in an article in the latest issue of the Chinese biweekly periodical "SEEKING TRUTH."

In the article, entitled "The Changing International Situation and China's Foreign Affairs," Qian said that the new international order should be set up on the basis that all independent nations, no matter big or small, rich or poor, strong or weak, should establish mutual political and economic relationships in line with the five principles of peaceful co-existence.

He described the characteristics of the old order as being dominated by hegemony and power politics.

According to China's perspective, Qian went on, there can not be a new order if the world is dominated by the superpowers, a few big powers or a "rich-nation club."

Qian noted that it was Deng Xiaoping who in 1988 initiated the proposition that a new international political and economic order be set up in accordance with the Five Principles of Peaceful Co-existence.

Deng pointed out that the five principles could equally serve countries of different social systems and of different developing degrees, as well as neighboring nations.

Qian stated that the Chinese delegation had presented, as follows, the main contents of the new order to the United Nations assembly this year:

1. Each country should have the right to choose its own political, economic and social system in line with its own circumstances;
2. Various countries in the world, especially big powers, should strictly abide by the principle of not interfering in other nations' internal affairs;
3. Each nation should respect and treat each other equally, cherish mutually beneficial cooperation, exist in harmony, and seek common grounds while reserving differences;
4. International conflicts should be fairly resolved through peaceful means, not through the use of force or threats of force;
5. Each country, no matter big or small, strong or weak, should have the equal right to participate in consultations to settle world affairs.

Qian stressed that if the new international political order is set up, the world will become a better place to live in.

Further on Foreign Ministry's Weekly Briefing

OW1312133290 Beijing Domestic Service in Mandarin
1030 GMT 13 Dec 90

[From the "National Hookup" program]

[Text] Answering reporters' questions at a news briefing this afternoon, Ministry of Foreign Affairs spokesman Li Zhaoxing explained China's stand on the convocation of an international conference to discuss peace in the Middle East.

Li Zhaoxing said: China supports the convocation of an international Middle East peace conference attended by the five permanent members of the Security Council and the relevant parties in the Middle East under the sponsorship of the United Nations in order to seek a fair and reasonable political settlement of the Middle East issue. We are pleased with the resolution adopted by the 45th session of the UN General Assembly on 6 December, which calls for the convocation of an international Middle East peace conference. We hope the UN secretary general will continue to strengthen his coordination with all parties concerned so that the international Middle East peace conference can be held at an early date.

A reporter asked: Vietnamese Foreign Affairs Minister Nguyen Co Thach said that Vietnam would not sign the peace agreement on Cambodia worked out by the five permanent members of the UN Security Council because it contravenes the UN Charter principle concerning the sovereignty of member states. What is China's view?

Li Zhaoxing said: The Cambodian issue was created by nothing except Vietnam's armed aggression against Cambodia. For many years, the international community has made tremendous efforts to find a solution to this issue. Now the prospects for settling the Cambodian issue politically have emerged. At this moment, some people have emerged once again to try to obstruct the settlement of the Cambodian issue. This runs counter to repeated appeals by the international community and the Cambodian people's aspirations for peace. It is hoped that Vietnam will have a clear understanding of the situation, conform to the trend of the times, and act realistically so that a comprehensive, fair, and reasonable political settlement of the Cambodian issue can be achieved as soon as possible.

Another reporter asked: The Canadian Government has approved air links with Taiwan. What is your comment on this issue?

Li Zhaoxing said: The Chinese Government has stated time and again that the opening of air links with Taiwan by any foreign airline is not an issue of ordinary nongovernmental economic and trade relations but rather a political issue involving China's sovereignty. China and Canada began consultations on Canada-Taiwan air links in September of last year. During the consultations, the Chinese side, considering the overall interest of maintaining China-Canada relations, did its best to accommodate the interests of the Canadian side. Regrettably, the Canadian side has failed to keep its promise that it would not take unilateral actions before an agreement is reached between the two sides through consultations and has unilaterally approved the initiation of Canada-Taiwan air links. In view of Canada's action, the Chinese side reserves the right to make further responses.

A reporter asked: Do you have any comment on the election of a new president in Poland?

Li Zhaoxing said: We wish to congratulate the new Polish president. We are willing to maintain and develop friendly relations with Poland on the basis of the Five Principles of Peaceful Coexistence.

Vietnam Urged To Help on Cambodia

HK1412024790 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 14 Dec 90 p 1

["Dispatch:" "Chinese Foreign Ministry Spokesman Urges Vietnam To Conform to the General Trend of the Times To Bring About an Early Political Settlement of the Cambodian Question"]

[Text] Beijing, 13 Dec (XINHUA)—A Foreign Ministry spokesman declared that it is hoped Vietnam will, with a clear understanding of the situation and a view to conforming to the general trend of the times, adopt a realistic attitude to bring about a comprehensive, fair, and reasonable political settlement of the Cambodian question as soon as possible. A settlement would be beneficial to all sides.

The declaration was made by the spokesman at a news briefing this afternoon in reply to reporters' questions.

A reporter asked: Vietnamese Foreign Minister Nguyen Co Thach stated that Vietnam would not sign the peace agreement on Cambodia worked out by the five permanent members of the UN Security Council because it contravened the principle concerning the sovereignty of member states set forth in the UN Charter. What is the comment of the Chinese side?

The spokesman said: "The Cambodian question was brought about by none other than Vietnam's armed aggression against Cambodia. For many years, the international community has made tremendous efforts to find a solution to this question. Now a prospect is emerging for a political settlement of the Cambodian question. At this moment, some people have come out once again to try to obstruct the settlement of the Cambodian question. This runs counter to the repeated appeals of the international community and the Cambodian people's aspiration for peace."

Li Peng's Tour of Asian Nations Discussed

HK1412074190 Hong Kong LIAOWANG OVERSEAS
EDITION in Chinese No 50, 10 Dec 90 p 5

[Article by Ma Shengrong (7456 0524 2837) and Zhou Shuchun (0719 2885 2504): "Premier Li Peng's Visit to Four Asian Nations"]

[Text] Li Peng, premier of the Chinese State Council, will pay an official friendly visit to Malaysia, the Philippines, Laos, and Sri Lanka at the invitation of these countries from 10-19 December. This will be another important Asian trip by the Chinese premier after his visit to Indonesia, Singapore, and Thailand last August, and it certainly will make new and major contributions

to further strengthening China's friendly and cooperative relations with Third World countries and especially with Asian countries.

Malaysia will be the first leg of Li Peng's trip to the four nations. Malaysia pursues a neutral and nonaligned foreign policy, supports other people's just struggle to oppose aggression and expansion and safeguard their national rights, and has been making unremitting efforts with other ASEAN countries to safeguard peace and stability in the Asian region. During his visit, Li Peng will exchange opinions with the Malaysian leaders on international and regional issues, and the two sides' relations in political cooperation will be further strengthened.

China and Malaysia share traditional friendship and cooperative relations. As early as the second century B.C., Chinese merchants began to conduct trade with people on the Malay Peninsula, and the two sides have since maintained this relationship. During the Ming Dynasty, when Zhen He made voyages to Arabia, he also set foot on the Malay Peninsula. In the common struggle to resist foreign aggression and safeguard national independence, the two people have always sympathized with and supported each other. In 1974, Malaysian Prime Minister Razak made an official visit to China, and his visit led to the establishment of diplomatic relations between the two countries. After that, leaders of the two countries exchanged visits repeatedly and further promoted the development of bilateral friendship and cooperation. In addition to cooperation in the political field, cooperation in the economic, trade, scientific, and technological fields between the two countries also has expanded continuously. At present, both China and Malaysia are making efforts to develop their own national economies, and there are broad prospects for expanding their economic cooperation on the basis of equality and mutual benefit.

Like Malaysia, the Philippines is also a friendly neighbor of China. Friendly intercourse between the Chinese and Filipino people can be traced back to the Zhou and Qin Dynasties in China. Since the two countries established diplomatic relations in 1975, new developments have been made in their friendly relations. Both China and the Philippines are striving for peace and development. Although the social systems and ideologies in the two countries are different, they still share identical or similar viewpoints on many major international issues. China and the Philippines also have achieved good results in their cooperation in the economic, cultural, scientific, and technological fields. During her visit to China in 1988, President Corazon Aquino said the Philippines and China "need to develop comprehensive, harmonious, and dynamic relations of cooperation." President Yang Shangkun said: "Because the people of the two nations are not only friends but also relatives, we hope China and the Philippines will continue to develop friendly cooperation in the economic, cultural, scientific, and technological fields."

After restoring diplomatic relations with Indonesia and establishing official relations with Singapore this year, China now has diplomatic relations with five of the six ASEAN countries. In a period of less than six months, Li Peng successively visited and will visit these five countries. This indicates that China's relations with the ASEAN countries has entered a new stage of all-around development. This will certainly help further develop China's friendly and cooperative relations with the ASEAN countries and promote both sides' common prosperity, and will also produce a positive influence on peace and stability in the Asian region.

After visiting the Philippines, Premier Li Peng will visit Laos. China and Laos are two neighboring countries linked by common mountains and rivers, and the two countries share a common border of more than 400 km. Friendly relations between the two nations can be traced back more than 1,700 years. After the establishment of New China, especially after the establishment of official relations between the two countries in 1961, exchanges and cooperation between the two countries became closer. Although there were some twists and turns in Sino-Lao relations after 1979, they merely formed a transient moment in the long historical course of friendship. In the last few years, thanks to both sides' joint efforts, Sino-Lao relations have been continuously improving and developing, and the two countries have restored normal state-to-state relations. Leaders of both countries attach great importance to the continuing development of their friendly and cooperative relationship. In December 1989, Kaysone Phomvihane, chairman of the Council of Ministers of Laos and general secretary of the Lao People's Revolutionary Party, visited China. His visit promoted the consolidation and development of friendly relationship between the two sides. As Kaysone said, "Henceforth, our cooperation will enter a rich, colorful, solid, and fruitful stage."

There is a time-honored traditional friendship between China and Sri Lanka. After Sri Lanka won independence and New China was founded, the two countries' cooperative relations entered a new stage on the basis of developing their traditional friendship. In 1952, the two countries signed the famous "Rice and Rubber Agreement," and Sri Lanka sold half its annual rubber output to China every year according to the agreement by withstanding external pressure and breaking through the embargo imposed by some countries against China. At the same time, China supplied Sri Lanka with rice; thus, the two sides helped each other overcome their difficulties at home. Since then, the two countries have continuously been carrying out sincere and effective cooperation in the political, economic, and cultural fields. Chinese and Sri Lanka leaders have exchanged visits for many rounds, thus making contributions to the development of bilateral relations. Premadasa, current president of Sri Lanka, visited China in 1988 when he was prime minister. During that visit, he said that Sri Lanka and China set a good example in their political, economic,

trade, and cultural exchanges. Li Peng told Premadasa: "Our friendship can stand the test of time and has shown strong vitality."

Li Peng's visit to the four Asian nations is made against such background factors as: China's economy is developing continuously, China's political situation continues to be stable, and continuous changes are occurring in the international and regional situation. During his visit, Li Peng will extensively exchange opinions with leaders of the four nations on the international affairs of common interest and various bilateral issues. Undoubtedly, his visit will further increase the mutual understanding between the Chinese people and the people in these countries, will further promote the development of friendly and cooperative relations between China and these countries, and will make contributions to the maintenance of peace and stability in the Asian region.

Shevardnadze To Discuss Gulf Crisis With Turks

OW1312215590 Beijing XINHUA in English
1555 GMT 13 Dec 90

["Minister in Turkey To Discuss Gulf Crisis (by Zheng Jinfa)"]—XINHUA headline]

[Text] Ankara, December 13 (XINHUA)—Soviet Foreign Minister Eduard Shevardnadze arrived here today for a two-day official visit to Turkey as part of diplomatic efforts to find a solution to the Gulf crisis.

Turkish officials who requested anonymity said the Gulf situation would be a major topic of talks during the visit.

They said the timing of the visit was significant since it followed Shevardnadze's trip to the United States.

The visit is the first by a Soviet foreign minister to Turkey in the past 25 years.

In the talks, the two sides will also make preparations for President Turgut Ozal's visit to Moscow early next year, the officials said.

Turkey would make use of this opportunity to expand economic and other ties with its northern neighbor, including economic cooperation among Black Sea countries—the Soviet Union, Turkey, Bulgaria and Romania.

The four countries will hold a meeting on economic cooperation in Ankara on December 19-21.

Turkey, denied entry into the European Community, is seeking alternatives in regional economic pacts with the Soviet Union and other neighbors.

Romanian sources here disclosed that Romania supports the Black Sea economic cooperation region advocated by Turkey.

Turkish sources here told XINHUA that during Shevardnadze's visit, the two countries will add a finishing touch to an agreement on cooperation in the Black Sea

region, a judicial agreement on cooperation of extradition, an agreement on the fight against drug smuggling and a nuclear early warning accord, which will urge the two countries to inform the other "urgently" in case of any nuclear accidents.

The sources said that the two countries may possibly sign a treaty for protection and promotion of investments and an agreement on avoidance of taxation on both income and capital investments in both countries.

Relations between Turkey and the Soviet Union were boosted in 1984 when the two countries signed an agreement to bring Soviet natural gas to Turkey.

Trade volume between the two countries reached 1.3 billion U.S. dollars in 1989 and expected to hit 1.9 billion dollars this year.

Exports of Turkish goods and services are balanced by imports of Soviet natural gas. Turkey's Eximbank has extended credits worth 950 million dollars to Moscow so far.

Nine Turkish contractors currently have 12 projects in the Soviet Union worth about 520 million dollars, and industry sources expect business for Turkish contractors to reach two billion dollars by the end of next year.

Soviet companies, meanwhile, have begun to set up joint ventures and branches in Turkey.

S. Korean Leader in Moscow, To Meet Gorbachev

OW1312201790 Beijing XINHUA in English
1639 GMT 13 Dec 90

[Text] Moscow, December 13 (XINHUA)—South Korean President No Tae-u arrived here this evening for a four-day visit to the Soviet Union.

This is the first visit to the Soviet Union by a South Korean leader.

It was learned here that Soviet President Mikhail Gorbachev will meet No at the Kremlin later this evening. They will have a one-to-one talk tomorrow.

The two sides are expected to discuss bilateral relations and the situation on the Korean peninsula, in the Asia-Pacific region and the rest of the world.

Gorbachev and No will also discuss long-term cooperation. They are expected to sign a number of agreements as a basis for the development of bilateral relations.

Reports said the South Korean president will announce a three-billion U.S. dollar loan provided by South Korea to the Soviet Union during No's visit to the country.

The Soviet Union established diplomatic relations with South Korea last September.

Seoul's USSR Loan, Korean Unification Viewed

HK1412093590 Hong Kong HSIN WAN PAO
in Chinese 14 Dec 90 p 2

[Article by Yang Chu (5017 2612): "No Tae-u Came With a Check and An Invitation Card"]

[Text] South Korean President No Tae-u arrived in Moscow yesterday. Gorbachev and his wife Raisa gave him an enthusiastic reception in the Kremlin. They exchanged friendly and warm words.

The host's enthusiastic hospitality can be understood because the South Korean guest had a \$2.5 billion check and an invitation card in his pocket.

A \$2.5 Billion Loan

South Korea disclosed that on this trip No Tae-u will offer a \$2.5 billion loan to the Soviet Union and invite Gorbachev to visit Seoul next spring, sometime after his trip to Japan.

Korea is generous compared with the United States, so far as their sizes are concerned. The U.S. Government and President Bush have said a lot of things, but only promised to offer a \$1 billion loan to the other side [the Soviet Union]. Moreover, they have laid down many conditions for the loan. However, South Korea's generosity is demonstrated by its offer of a \$2.5 billion loan.

The Request

The fact that No Tae-u has offered timely help, of course, implies that he has something to request of the Soviet Union. He said that he and Gorbachev will find a way to strengthen peace and stability on the Korean peninsula, and consequently realize the unification of South and North Korea.

To put it in simpler terms, No Tae-u hopes that the Soviet Union will do something in North Korea to promote Korea's unification.

The point is: How much weight do the Soviets carry in Pyongyang today?

The Door is Still Open

For Korea's unification, the Korean people must rely on their own efforts. If both sides quarrel with each other incessantly, how will they be able to unify the country?

Yesterday, North Korean Premier Yon Hyong-muk ended his talks with South Korean Prime Minister Kang Yong-hun in Seoul, but they did not reach any agreement. North Korea lashed out at South Korea for not agreeing to making a declaration on mutual non-aggression, and criticized No Tae-u for indiscriminately arresting people holding different political views.

Nevertheless, the door for talks is still open. Yon Hyong-muk and Kang Yong-hun decided to meet again in Pyongyang next February.

Tired of Confrontation

In yesterday's commentary released by TASS on welcoming No Tae-u's visit, the Soviet Union also said a few words on the relations between the South and North Koreans. It said: "The improvement of relations between the Soviet Union and South Korea will promote Korea's internal dialogue," and "Seoul and Pyongyang should demonstrate their sense of responsibility. They should be self-restrained and flexible, and see that people on both sides of the 38th Parallel are tired of confrontation and that they demand Korea's unification."

These words contain truth and are friendly.

Ismail Amat Briefs Seminar on Nationalities Study

OW1312120290 Beijing XINHUA Domestic Service
in Chinese 1424 GMT 12 Dec 90

[By reporter Pan Ye (0398 0396)]

[Text] Tokyo, 12 Dec (XINHUA)—Ismail Amat, minister in charge of the State Nationalities Affairs Commission, delivered a report entitled "The Present Situation and Future Prospects for Studies on Nationalities in China" at an international seminar on East Asian societies held in Tokyo today. He introduced in detail Chinese policy studies on nationalities and Chinese ethnological studies to experts and scholars attending the meeting.

At the invitation of the Japanese Society of Ethnology, he came to Japan to participate in the seminar as a researcher from the Research Center for Nationalities Affairs. In his report, he pointed out: China is a country with many nationalities. Since the founding of New China, a series of policies towards nationalities, characteristic of "insisting on equality among all nationalities and safeguarding national unity and the unification of the motherland," have been pursued in accordance with Chinese realities. Facts have proven that these policies are correct. They have achieved successes and won the people's support.

Discussing the present state of ethnological studies in China, he said: There are many organizations, both at the central and local levels, specializing in research on nationalities. In addition, we have a contingent of researchers with different ethnic backgrounds. These people, who maintain natural contacts with, are devoted to, and are familiar with their own nationalities, enjoy excellent research conditions. He added: After many years of hard work by our ethnologists, fruitful results have been achieved, formulating fairly systematic ethnological theories with Chinese characteristics and providing relevant government departments with policy-making material. What is more, many scholastic works have been published.

The international seminar on East Asian societies opened in the Tokyo International Cultural Hall on 11 December. Fei Xiaotong, vice president of the CPPCC

[Chinese People's Political Consultative Conference] National Committee and famous Chinese socialist, also attended the meeting. He gave a report entitled "Humane Studies in China" on the first day of the meeting.

Attending the meeting, which is scheduled to close on 14 December, are scholars from countries such as China, Great Britain, the United States, and Japan, as well as regions such as Hong Kong, Taiwan, and South Korea.

PRC Attends Symposium on Plight of Girls in Asia

OW1312203090 Beijing XINHUA in English
1611 GMT 13 Dec 90

[Text] Kathmandu, December 13 (XINHUA)—A two-day international symposium on the girl child in Asia started here today under the sponsorship of the Asia-Pacific Academic Consortium for Public Health, the U.N. Children's Fund (UNICEF) and the Institute of Medicine of Tribhuvan University of Nepal.

The symposium, titled "A Neglected Majority," is participated by about 120 representatives from India, Nepal, Bangladesh, Sri Lanka, China, Indonesia, Japan, Malaysia, the Philippines, Singapore, Thailand, Vietnam, the United States and Australia.

These representatives will disseminate and discuss key policies and research and intervention issues regarding the health and nutritional status of female children and to focus international concern on the plight of the girl child in Asia.

At the opening ceremony, chairman of the symposium and Nepalese Health Minister M.P. Shrestha said that 90 percent of girls in Nepal are married before the age of 20 and 15 percent of children below 15 work in unhealthy conditions.

Some 130,000 women are living a life of prostitution due to the low status of women in Nepal, he added.

He expressed the determination of the Nepalese Government to seek the social and economic upliftment of women.

It is learned that the symposium will adopt the Kathmandu Declaration on the survival and development of girl children.

U.S., New Zealand Firms Agree on Oil Prospecting

OW1412000390 Beijing Television Service
in Mandarin 1100 GMT 11 Dec 90

[Text] After more than two years of negotiations, the Tongting Basin Oil Exploration Agreement, our nation's first Sino-foreign oil exploration cooperation project in the southern hinterland, was formally signed in the Great Hall of the People in Beijing yesterday evening. Kang Shien, Zou Jiahua, and the ambassadors from the United States and New Zealand attended the signing

ceremony. [Video shows officials signing document in conference room, then pans to show guests socializing with wine glasses in hand]

This project is a major achievement in our efforts to open up our nation's inland oil industry to the outside world and develop international cooperation on the basis of self-reliance. The exploration phase of this cooperation project between the China National Oil Development Corporation, the New Zealand Oil Exploration Company, the U.S. Santa Fe Oil Company, and the (Lumike) Company, will be divided into three stages and be completed in seven years. It presents bright prospects for locating new oil fields in our nation's economically developed but energy-scarce southern region.

Zou Jiahua met with foreign friends before the signing ceremony. [Video shows Zou Jiahua talking with several foreign guests in another room]

Trade Expansion With Laos, Sri Lanka Planned

*HK1412022090 Beijing CHINA DAILY in English
14 Dec 90 p 2*

[By staff reporter Qu Yingpu]

[Text] China is striving to expand its economic and trade relations with Laos and Sri Lanka, said Chinese trade officials, as Premier Li Peng prepares to visit the two countries next week.

Zhang Hansen, an official with the Ministry of Foreign Economic Relations and Trade (MOFERT), told CHINA DAILY yesterday that both China and Laos were eager to further the "tying of more economic knots."

Sino-Laotian trade volume is expected to hit a record high of \$15 million this year, and "both sides are confident of further growth," said Zhang, who is in charge of China's trade with Vietnam, Cambodia and Laos.

According to MOFERT statistics, trade between China and Laos during the first nine months of this year was \$10.49 million, compared with the total of \$7.12 million turnover last year.

Of the \$10.49 million transactions, China's exports accounted for \$8.21 million, including two airplanes, 35 trucks and lorries, 1,000 tons of sugar as well as bicycles, sewing machines, electrical domestic appliances and machinery.

Zhang said two more airplanes would be exported to Laos before the end of this year.

China's imports from Laos between January and September amounted to \$2.28 million, mainly timber, plywood board, natural rubber, coffee beans and tea.

China and Laos, which resumed their trade relations in 1988, signed their first government trade agreement at the end of that year.

They also signed a bilateral government economic and technology cooperation pact in February this year. So far, the two countries have signed more than 10 cooperative projects including the renovation of an airport and construction of a hydropower station in Laos.

Li Wei, another MOFERT official in charge of China's trade with South Asia, said he hoped China's trade with Sri Lanka would grow steadily while seeking a bilateral trade balance.

According to the latest Customs figures, trade between the two countries reached \$77.49 million in the first 11 months of this year, compared with a total of \$73.21 million worth of products exchanged last year.

China's exports to Sri Lanka during the first 11 months totalled \$75.73 million, 35.28 percent more than during the same period of last year while its imports amounted to \$1.76 million, down 45.93 percent.

China's major exports to Sri Lanka include rice, lubrication oil, gunny-bags, tools, paper and textiles while its imports from this island country are rubber, tea, jade and coconut oil.

By the end of September, China had established three joint ventures in Sri Lanka—a fish-raising project, a fuel project and a medical centre.

United States & Canada

Bush Approves Supercomputer Sales to PRC

*OW1412085590 Beijing XINHUA in English
0809 GMT 14 Dec 90*

[Text] Washington, December 13 (XINHUA)—President George Bush today approved the sale of supercomputers and other high technology exports to China, Brazil and India.

Announcing this, White House Spokesman Marlin Fitzwater said that the president "approved several of the license applications, but because of the potential strategic applications of such computers, he also required the imposition of stringent safeguards to ensure that the computers will be used exclusively for peaceful civilian purposes."

Bush ordered the Commerce Department and other agencies to institute new procedures by January 1 to make so-called dual-use licensing decisions faster and more predictable, while still meeting concerns about proliferation and other national security issues.

The White House did not provide details of which specific licenses had been granted, how much the contracts were worth, or which computers were going to which country.

The Commerce Department will notify the companies as from Friday which contracts have been approved and which rejected.

Bush's initiative also includes:

- Worldwide export controls on 50 chemicals that can be used to manufacture chemical weapons;
- Export licenses for proposed exports that could be used in developing missiles or chemical and biological weapons; and
- Civil and criminal penalties against U.S. citizens who participate in activities that promote the spread of missile technology and chemical weapons.

U.S. Evacuation in Kuwait, Iraq Completed

*OW1412034990 Beijing XINHUA in English
0117 GMT 14 Dec 90*

[Text] Washington, December 13 (XINHUA)—The mission to evacuate Americans in Kuwait and Iraq has been completed today, the State Department announced.

Margaret Tutwiler, spokeswoman of the State Department, said, "for that reason, Ambassador (to Kuwait Nathaniel) Howell and his staff were authorized to ... return home" today.

But Tutwiler said the United States has informed the Iraqis that U.S. Embassy in Kuwait City "remains officially open, but temporarily unstaffed."

This morning, the last U.S.-chartered Iraqi Airways plane left Baghdad for Frankfurt, Germany, with approximately 64 foreign nationals and 32 American citizens aboard, including Ambassador Howell.

"We have left no stone unturned in our efforts to try to contact every American through every means possible" to help them leave the area, Tutwiler said.

She gave a "yes" answer when asked whether every single American who wants to leave Kuwait and Iraq now has left.

So far, about 188 Americans have been evacuated from Kuwait and Iraq since Iraqi President Saddam Husayn decided last week to free all foreign nationals held in Kuwait and Iraq. They include 70 people who were in hiding, 86 men kept as so-called "human shields" at strategic sites in Iraq and 32 private citizens holed up at the embassies in Kuwait and Iraq.

But U.S. officials estimate that about 500 Americans—most of them children with dual citizenship—have opted to remain in Kuwait or Iraq.

And State Department officials said that anyone who decides to leave at a later time can fly out by commercial Iraqi airliner flights from Kuwait City and Baghdad to Amman, Jordan.

Soviet Union

USSR-PRC Border Group Meets in Beijing

*OW1412015390 Moscow International Service
in Mandarin 1000 GMT 13 Dec 90*

[Text] The joint Soviet-Chinese working group on delimiting the eastern section of the border held its second meeting in Beijing from 1-12 December. The meeting was agreed upon at talks on border issues between the Soviet Union and China. The two sides made further progress on issues discussed at the meeting.

Further on Meeting

*LD1212175790 Moscow TASS in English
1737 GMT 12 Dec 90*

[Text] Beijing, December 12 TASS—The joint Sino-Soviet working group on the juridical registration of sections of the eastern part of the Soviet-Sino border, agreed upon at talks on border issues between the Soviet Union and China, held its second meeting on December 1-12 in Beijing.

The meeting was held in a businesslike and constructive atmosphere.

The sides made further progress on the subject. The talks will continue in Moscow.

After the meeting, Deputy Chinese Foreign Minister Tian Zengpei met Soviet and Chinese participants in the session of the working group.

Wu Xueqian Meets Trade Union Delegation

*OW1412104890 Beijing XINHUA in English
1036 GMT 14 Dec 90*

[Text] Beijing, December 14 (XINHUA)—Chinese Vice-Premier Wu Xueqian met a delegation from the General Confederation of Trade Unions (GCTU) of the Soviet Union led by its Chairman V.P. Sherbakov here this afternoon.

Wu briefed his guests on China's reform and opening.

The Soviet visitors, who came to China December 8, have been here as guests of the All-China Federation of Trade Unions (ACFTU). This is Sherbakov's first visit to a foreign country since he was elected GCTU chairman last October and he is also the first GCTU chairman to visit to China in nearly 30 years.

During its stay in Beijing, the Soviet delegation had talks with ACFTU Chairman Ni Zhifu. Both sides expressed the willingness to increase exchanges between the two countries' trade unions.

In the past few days, the delegation visited the Chinese cities of Guangzhou, Shenzhen and Shanghai. It is scheduled to leave Beijing for home tomorrow.

Georgian Parliament Declares Emergency

*OW1312123390 Beijing XINHUA in English
1152 GMT 13 Dec 90*

[Text] Moscow, December 13 (XINHUA)—The Soviet Georgian parliament declared today the imposition of curfew and a state of emergency in Tskhinvali, the administrative center of the South Ossetian Autonomous Region, and the adjacent Dzhava District.

It was the second major decision taken by Georgian parliament since it declared the recision of the South Ossetian Autonomous Region on December 11.

Altogether 13 regions have declared states of emergency in the Soviet Union. Soviet Interior Ministry troops have been involved in the action.

The South Ossetian Autonomous Region, set up within Georgia in 1921 with Ossetians as the major nationality, has tried to break away from Georgia in the recent years. Three people were killed and some others injured in the recent inter-ethnic clashes between Ossetians and Georgians.

Northeast Asia

Commentary on North-South Korean Talks

*SK1412021790 Beijing International Service
in Korean 1100 GMT 13 Dec 90*

[Station commentary]

[Text] The third round of premier-level talks between the North and the South of Korea opened in Seoul on the morning of 12 December.

A major agenda item of the talks was to discuss the North side's draft declaration of mutual nonaggression and the South side's draft basic agreement on improving North-South relations.

The first-day session yesterday was attended by Yon Hyong-muk, prime minister of the DPRK State Administration Council, and Kang Yong-hun, South Korean prime minister.

The two sides delivered keynote speeches at the talks.

In his keynote speech, Prime Minister Yon Hyong-muk presented a revised version of the draft declaration of mutual nonaggression. The revised version is renamed The North-South Declaration of Mutual Nonaggression, Reconciliation, and Cooperation, and combines the North side's draft declaration of mutual nonaggression with the South side's draft declaration of reconciliation and cooperation.

The draft declaration includes the following 10 points: First, the North and the South will recognize and respect each other's ideologies and systems, refrain from interfering in the internal affairs of the other side, peacefully

settle the differences and disputes between them through dialogue and negotiation, and cease to abuse and slander the other side.

Second, the North and the South will not use armed force under any circumstances, will stop the arms race, and effect arms reduction in stages.

Third, the North and the South will designate the Military Demarcation Line, which was established according to the Korean Military Armistice Agreement signed on 27 July 1953, as the North-South demarcation line of nonaggression, and turn the Demilitarized Zone along the Military Demarcation Line into a peace zone.

Fourth, the North and the South will install direct telephone lines between the military authorities of the two sides in order to prevent the outbreak and escalation of an accidental armed clash.

Fifth, the North and the South will ensure free travel and contacts between persons and compatriots of all walks of life.

Sixth, the North and the South will effect economic cooperation and the exchange of goods and share information on the success and experience and cooperation with each other in all sectors of science, technology, education, culture, health care, sports, the press and information for the common interests, and prosperity of the nation.

Seventh, the North and the South will restore the severed transportation and communications lines.

Eighth, the North and the South will stop competition and confrontation and cooperate with each other in the international arena and jointly conduct external activities.

Ninth, the North and the South will set up subcommittees within the framework of the high-level talks to discuss measures for the implementation of this declaration.

Tenth, this declaration will come into effect when the North and the South exchange its text and, and it will be valid until reunification has been realized in Korea, unless one side informs the other of its abrogation.

Yon Hyong-muk said that the new proposal took the opinions of the South side into account. He added that the North side hoped for the adoption of a declaration the two sides can accept without being confined to the form of a document.

Prime Minister Yon Hyong-muk further said that it was already some 100 days since the first round of the talks and that great changes had taken place around the Korean peninsula during this period.

He said that although other channels of North-South dialogue were under way, the status and mission of the high-level talks were of more specific significance, and

that for this reason it was necessary to calmly analyze and sum up the previous talks and find causes for the lack of progress in the talks.

He stated: To correct the attitude of dialogue, the North demands that there be changes in perceiving the question of peace in the country; that the interference of foreign forces in solving the problem of reunification not be tolerated; and that dialogue be held with a sincere and reliable attitude.

He went on to say: If the South Korean authorities persist in their stand, the North side cannot help but express its concern over the future of North-South relations and the outlook for the high-level talks.

In his keynote speech, South Korean Prime Minister Kang Yong-hun said that only when the North agrees to sign the basic agreement on improving North-South relations can the North side's declaration of mutual nonaggression be signed.

He also put forward a draft declaration of mutual nonaggression.

Included in the draft declaration are the question of the North and the South not using armed force and settling disputes in a peaceful manner, the question of recognizing the current boundary line, the question of peacefully utilizing the Demilitarized Zone, the question of installing direct telephone lines between military authorities, the question of mutually dispatching standing inspection teams, the question of not referring to a treaty or an agreement signed with a third party, and the question of taking an international measure to guarantee the enforcement of the declaration.

Kang Yong-hun proposed again that a political and military subcommittee be formed within a month after an agreement is signed and that it deal with the matter of signing a declaration of mutual nonaggression.

DPRK Paper Criticizes ROK Tactics at Talks

*OW1412131990 Beijing XINHUA in English
0852 GMT 14 Dec 90*

[Text] Pyongyang, December 14 (XINHUA)—The Korean daily newspaper "NODONG SINMUN" carried a commentary here today criticizing South Korea for its scheme to force a change in the system of the North through the North-South dialogue.

The third round of inter-Korean premier-level talks was held in Seoul on December 12-13. The two sides failed to reach any agreement concerning national reunification.

The commentary said that no agreement can be reached in regard to matters of reunification as long as the South Korean authorities do not rectify their anti-peace, anti-reunification stand and their wrong approach to the dialogue.

It noted that at the talks the North side had put forward a new proposal, one for the adoption of a "declaration of nonaggression, reconciliation and cooperation between the North and the South," which takes the South side's stand into full consideration. The South side, however, again came up with the "basic agreement on the improvement of North-South relations," insisting on its adoption first.

The commentary pointed out that the "basic agreement" brought forward by the South side is in itself an attempt to perpetuate the division. Its content is based on the separatist "recognition of entity" and "stage-by-stage" formulae.

The commentary said that this shows that the South side is not interested in peace and reunification for the country but in having the "two Koreas" publicly recognized through the adoption of the "basic agreement", despite the fact that it has been conducting some human and material exchanges.

The commentary stressed that peace in Korea is an important issue which must be settled before anything else if preconditions are to be created for a peaceful national reunification.

The commentary pointed out that the South Korean authorities are conducting "an entreaty diplomacy" abroad, asking others to put an end to the cold war system on the Korean Peninsula and induce the North to peace, reunification and opening. This is a very insidious act aimed at forcing a change in the system of the North with the help of others.

Scientific Cooperation Pact Signed With DPRK

*OW1312120890 Beijing XINHUA in English
1139 GMT 13 Dec 90*

[Text] Beijing, December 13 (XINHUA)—The 1991-92 scientific cooperation program between the Chinese Academy of Sciences and the Academy of Sciences of the Democratic People's Republic of Korea (DPRK) was held at the Great Hall of the People here this afternoon.

Song Jian, state councillor and minister in charge of the State Science and Technology Commission, and Korean Ambassador to China Chu Chang-chun were present at the ceremony.

Zhou Guangzhao, president of the Chinese Academy of Sciences, and Kim Kyong-pong, president of Korean Academy of Sciences, signed the program.

DPRK, Japan Open Satellite Communications

*OW1312083490 Beijing XINHUA in English
0818 GMT 13 Dec 90*

[Text] Pyongyang, December 12 (XINHUA)—A direct satellite communications link-up between the Democratic People's Republic of Korea (DPRK) and Japan was officially opened to service on December 11, KCNA reported today.

An agreement on the direct satellite communications link-up was signed here on November 29 by the DPRK International Communications Bureau and the international telecommunications company Kokusai Denshin Denwa of Japan and approved by the two governments.

This was the first agreement concluded between the two countries since they set to improve their relations.

The opening of direct satellite communications between the two countries will facilitate their telegraph, telephone, television and video services.

Southeast Asia & Pacific

Li Peng Continues Visit to Philippines

More on Arrival

*HK1412033390 Beijing International Service
in Tagalog 1130 GMT 13 Dec 90*

[Report by Radio Beijing reporter Li Shang on Premier Li Peng's 12 December arrival in Manila]

[Text] Chinese Premier Li Peng arrived in Manila yesterday for a three-day visit at the invitation of the Philippine Government. Awaiting him at the Ninoy Aquino International Airport were President Corazon Aquino, Vice President Salvador Laurel, and other top Philippine officials.

As Premier Li Peng's plane landed, President Aquino received him, and the two leaders exchanged greetings. A formal welcoming ceremony followed at the airport. Li Peng then reviewed the honor guard, accompanied by President Aquino, and later proceeded to the Manila Hotel where he will be staying.

In a written statement read by the premier at the airport, he said it was a great honor for himself, his wife, and the delegation to be in the Philippines for an official friendly visit at the invitation of President Corazon Aquino. He said the two nations established friendly relations many years ago.

He said the friendly official visit to China by President Corazon Aquino, which she paid soon after she became president, showed she had a high regard for Chinese-Filipino relations and wished to further strengthen bilateral relations between both nations. Li Peng said the aim of his visit was to promote friendship, strengthen understanding, share viewpoints, and enable mutual cooperation to flourish.

Li Peng Praises Aquino

*OW1312164490 Beijing XINHUA in English
1530 GMT 13 Dec 90*

[Text] Manila, December 13 (XINHUA)—Chinese and Philippine leaders tonight stressed the importance to further development of cooperation between their countries.

They expressed this common desire at a banquet given by Philippine President Corazon Aquino for visiting Chinese Premier Li Peng and his party.

Li arrived here late this afternoon for an official goodwill visit to the Philippines.

Aquino said many bonds between the Philippines and China established through early contacts "continue to flourish and have expanded impressively in more recent times."

"China is the Philippines' largest neighbor in terms of land area and population. But notwithstanding her impressive size, China is a kind and understanding neighbor," she said.

The president said, "these qualities are well reflected in China's five principles of peaceful coexistence. The relations between our two countries are marked by mutual respect for each other's sovereignty, territorial integrity and way of life, and by mutual determination, when differences arise, to resolve them peacefully and equitably."

The Chinese premier said in his speech that bilateral contacts between China and the Philippines have been on the increase in various fields since the establishment of diplomatic relations.

Premier Li praised President Aquino for her efforts to strengthen relations between China and the Philippines since she took office.

He believed that his current visit here will advance mutual relations to "a new high."

Prior to the banquet, the Chinese leader and the Philippine president had a brief meeting.

Aquino Reaffirms 'One-China' Policy

*OW1312164290 Beijing XINHUA in English
1540 GMT 13 Dec 90*

[Text] Manila, December 13 (XINHUA)—President Corazon Aquino of the Philippines today reaffirmed her country's adherence to the "one-China policy," calling it the "cornerstone" of Philippines' relations with China.

In a speech at a state banquet given in honor of visiting Chinese Premier Li Peng at the Presidential Palace this evening, Aquino said "we have sworn adherence to this policy and tonight I wish to reaffirm this official stand of my government."

The relations between the two countries are marked by mutual respect for each other's sovereignty, territorial integrity and way of life, and "by mutual determination, when differences arise, to resolve them peacefully and equitably," she said.

Now, she said, the two countries have agreed to strengthen their relations in ways that will contribute significantly to the economic uplift of the two peoples.

Aquino stressed that "only upon the foundation of cooperation and common progress can we hope to nourish and strengthen long-lasting friendship."

More on Banquet Speeches

OW1312224390 Beijing XINHUA Domestic Service
in Chinese 1544 GMT 13 Dec 90

[By reporters Zhou Shuchun (0719 2885 2504) and Zheng Jie (6774 2212)]

[Text] Manila, 13 Dec (XINHUA)—Philippine President Corazon Aquino hosted a grand state banquet here this evening in honor of Chinese Premier Li Peng, who is paying an official goodwill visit to the Philippines.

President Aquino made an ebullient speech at the banquet. She said: Relations between the Philippines and China, forged by the peoples of the two countries through exchanges over many centuries, continue to flourish and have expanded impressively in recent years. Premier Li Peng's current visit to the Philippines "symbolizes the strong good-neighborly ties that have long existed between the people of our two countries."

Aquino said: The relations between China and the Philippines are marked by "mutual respect for each other's sovereignty, territorial integrity, and way of life and by mutual determination, where differences arise, to resolve them peacefully and equitably."

Aquino stressed: The one-China policy is the cornerstone of the Philippines' relations with China. She said: "We have sworn adherence to this policy, and tonight I wish to reaffirm this official stand of my government."

Corazon Aquino said: Both the Philippines and China are concentrating their efforts to carry out large-scale national construction, accelerate economic development, and improve the living standards of their own people. The two countries have agreed to strengthen their relations through various means, and foster and consolidate lasting friendship on the basis of cooperation and common development.

In turn, Premier Li Peng said in his speech: Under the current international situation, the developing countries should strengthen unity even more. He praised the Philippine Government for its independent foreign policy and active contributions to seeking a political settlement of the Cambodian issue along with other members of the ASEAN.

Premier Li Peng said: China and the Philippines are close neighbors separated by water. The people of the two countries have lived in peace and harmony and fostered a profound friendship since ancient times. After the establishment of diplomatic relations, the two sides have increased exchanges in the political, economic, trade, scientific and technological, and cultural fields, and deepened their mutual understanding and friendship.

Saying that he is visiting the Philippines in return for President Aquino's visit to China in 1988, the Chinese premier expressed the "hope that the visit will enhance the friendly relations between the two countries to a higher level." He said: "I am convinced that through the joint efforts of the two sides, this hope will certainly come true."

He also expressed satisfaction with the continuous growth of China's relations with ASEAN states. He said: The cooperative relations between China and the ASEAN states have entered a "new stage of comprehensive development."

Premier Li Peng's wife, Zhu Lin; Foreign Minister Qian Qichen; Chen Jinhua, minister in charge of the State Commission for Economic Structural Reform; and other Chinese officials were invited to attend the banquet. Attending the banquet from the Philippine side were Vice President Laurel and his wife, Senate Speaker Salonga, House Speaker Mitra, Foreign Minister Manglapus, and Budget Minister Carague.

After the speeches, Philippine artists performed national dances and songs for the Chinese visitors.

Before the banquet, Premier Li Peng and his wife, Zhu Lin, had a brief meeting with President Corazon Aquino.

Li Peng Visits Monument

OW1412073990 Beijing XINHUA in English
0639 GMT 14 Dec 90

[Text] Manila, December 14 (XINHUA)—Chinese Premier Li Peng went to the Luneta Park in central Manila this morning to lay a wreath to the Rizal Monument.

Written on the ribbon of the wreath were the Chinese characters: "To the National Hero of the Philippines, Dr. Jose Rizal."

Rizal, who gave his life for the freedom and independence of the Philippines, is considered father of the country.

Li arrived here yesterday to pay a three-day official goodwill visit at the invitation of President Corazon Aquino.

Li Peng Talks With Aquino

OW1412090490 Beijing XINHUA Domestic Service
in Chinese 0708 GMT 14 Dec 90

[Text] Manila, December 14 (XINHUA)—Chinese Premier Li Peng held talks with Philippine President Corazon Aquino at the presidential place here this morning.

During the talks, President Aquino expressed satisfaction over the development of relations between the Philippines and China since the two countries established diplomatic relations in 1975.

Mrs. Aquino reaffirmed the Philippines' adherence to the "one-China" policy, saying the Philippines will maintain and develop official relations with the People's Republic of China and will only have unofficial contacts with Taiwan.

She also noted that bilateral agreements on cultural, tourism science and technology, which were reached in the past few years, have helped enhance the friendly relations between the two countries.

Mrs. Aquino also said the Philippines will take measures to simplify the procedure with regard to the entry of Chinese nationals from China's mainland on visits to the Philippines.

Premier Li Peng said, "China and the Philippines have maintained friendly relations. President Aquino's visit to China in 1988 has further developed such relations. I hope that my current visit to your country will also help strengthen the friendship between the two countries and promote the bilateral relations."

Premier Li Peng expressed his appreciation of President Aquino's statements that Taiwan is part of China and the Philippines adheres to "one-China" policy.

Li Peng said that since ancient times Taiwan has been part of China. China stands for a peaceful reunification of the motherland because this conforms to the aspiration of the Chinese people.

China opposes "two Chinas", "one China and one Taiwan" and "independent Taiwan" and China pays close attention to Taiwan's "elastic diplomacy" because China does not agree, Li Peng said.

He said China may not have objections when countries having diplomatic relations with China keep contacts with Taiwan, as long as the contacts are unofficial.

Both sides agreed to further the trade relations between the two countries. In view of the negative effect of the Gulf crisis on oil supply to the Philippines, the Chinese side agreed to moderately increase its crude sales to the Philippines.

On another point, the Chinese premier announced the donation of 100 buses to Manila City as a symbol of the friendship of the Chinese Government and people for the Philippine Government and people.

During the talks, the two leaders briefed each other on the political and economic situation in their own countries.

Prior to the talks, the two leaders held a one-to-one meeting and exchanged views on issues of common concern.

Taking part in the talks on the Chinese side were Chinese Foreign Minister Qian Qichen; Chen Jinhua, minister in charge of the State Commission for Restructuring the Economic System; Li Lanqing, vice minister of foreign

economic relations and trade; Tao Siju, vice minister of public security; and Xu Dunxin, assistant minister of foreign affairs.

Participants in the talks on the Philippine side included Foreign Affairs Secretary Raul Manglapus and Chairman of the Philippine Reception Committee and Tourism Secretary Peter Garrucho.

PRC Pledges Sale of Oil

*HK1412114490 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 14 Dec 90*

[Text] Chinese Premier Li Peng has promised to sell 300,000 tons of oil to the Philippines in order to help solve the country's energy problem. The offer was made by Li Peng during a meeting with President Aquino on RP [Republic of the Philippines]-China relations. He also promised to donate 100 buses to help solve the problem of lack of public transport in metropolitan Manila.

In response, President Aquino once more affirmed the one-China policy and stressed that the Philippines' relations with Taiwan were limited to livelihood projects and trade. Ambassador Romulado Ong, director of the Department of Foreign Affairs for East Asia Affairs, clarified that the Philippines had never forgotten its affirmation of the one-China policy.

Li Peng is scheduled to meet next with Vice President Salvador H. Laurel and Congress leaders.

Li Peng Opposes U.S. Bases

*HK1412092790 Manila Radio Veritas in Tagalog
0900 GMT 14 Dec 90*

[Text] Chinese Premier Li Peng said China opposes the presence of foreign military bases in any part of the Philippines. He made the statement in connection with the current discussion on the U.S. bases' phaseout. Li Peng is hopeful that an agreement hinging on the Filipino people's interests would be forged. Meanwhile, he is not opposed to trade between Taiwan and the Philippines. But these trade ties should not be official.

Li Peng Meets Vice President

*OW1412094790 Beijing XINHUA in English
0932 GMT 14 Dec 90*

[Text] Manila, December 14 (XINHUA)—Chinese Premier Li Peng met Philippine Vice President Salvador Laurel here this afternoon.

The meeting took place at the executive house where the vice president's office is located.

When Premier Li arrived at the meeting room, Laurel went forward and shook hands with him.

"You are warmly welcome to visit the Philippines. I believe that friendly cooperation between the two countries will further develop," he said.

The two leaders then had a brief discussion. But no details were disclosed.

Relations With ASEAN Viewed

OW1412112890 Beijing XINHUA in English
1112 GMT 14 Dec 90

[Text] Manila, December 13 (XINHUA)—Visiting Chinese Premier Li Peng said here tonight that China's relations with ASEAN have ushered in a new phase of all-round development.

Li, who arrived here late this afternoon [as received] for an official goodwill visit to the Philippines, said, "the old world pattern has been broken while a new one is yet to take shape."

"Despite the reduction of military confrontation between the big powers, the world is by no means tranquil," he said.

Therefore, Li pointed out that "there is a greater need for the developing countries to strengthen unity and cooperation."

He noted that ASEAN (the Association of the Southeast Asian Nations), as a regional organization, is playing an increasing important role in regional and international issues.

Li said that China's relations with ASEAN has ushered in "a new phase of all-round development" following the resumption of diplomatic ties with Indonesia and the establishment of such relations with Singapore.

"We are satisfied with the steady growth of China's relations with the ASEAN countries," the Chinese premier said.

Qian Qichen Meets Counterpart

OW1412140690 Beijing XINHUA in English
1336 GMT 14 Dec 90

[Text] Manila, December 14 (XINHUA)—Chinese Foreign Minister Qian Qichen today met Philippine Foreign Secretary Raul Manglapus and exchanged views on bilateral, regional and international issues of common concern.

Qian told reporters after his one-hour talks with Manglapus at the foreign department that they shared similar views on those issues.

The Chinese foreign minister described his talks with Manglapus as "very fruitful."

Asked to comment on the reports that President Aquino has accepted an invitation to visit Taiwan, Qian said "We had not discussed the issue specifically. We highly appreciate the Philippine Government's adherence to the 'one-China' policy."

"Some people want to damage the friendship between China and the Philippines. We must be vigilant against that," Qian stressed.

Qian is accompanying Premier Li Peng on his four-nation Asian tour, namely Malaysia, the Philippines, Laos and Sri Lanka.

Talks With Aquino 'Complete Success'

OW1412141090 Beijing XINHUA in English
1349 GMT 14 Dec 90

[Text] Manila, December 14 (XINHUA)—Visiting Chinese Premier Li Peng tonight called on the Chinese community here to make joint efforts with other Filipinos for the economic development and stability of the Philippines.

Li made the remarks when meeting more than 100 representatives of the Chinese community here.

"Since you are residing here and many of you have become citizens of the Philippines, I hope you will make contributions to the economic prosperity and social stability of the Philippines," he said.

The Chinese premier said that his talks with Philippine President Corazon Aquino were "a complete success." "We appreciate the Philippine Government's policy of adhering to 'one China'," he said.

He also briefed the representatives the economic situation in China. He declared that China will keep to the policy of opening to the outside world and continue to develop its economy so as to lay a foundation for the development in the next century.

China's political situation is also good, the Chinese leader said, adding that the new leading collective headed by Jiang Zemin is strong and united and is carrying out the line of reform and opening to the outside world.

On China's relations with the countries in the association of the Southeast Asian Nations (ASEAN), Li said Sino-ASEAN relations have ushered in a new phase and this is conducive to peace and stability in Asia.

Li Peng Receives Key to Capital

OW1412141590 Beijing XINHUA in English
1358 GMT 14 Dec 90

[Text] Manila, December 14 (XINHUA)—Visiting Chinese Premier Li Peng was given a golden key to the City of Manila here today.

Gemiliano Lopez, mayor of the Manila City, this afternoon presented the key to the Chinese premier at the Manila Hotel, where the Chinese visitors are staying.

Li arrived in Manila on Thursday for a three-day official goodwill visit to the Philippines.

The Philippines is the second leg of Li's nine-day four-nation trip that has brought the premier to Malaysia and will further bring him to Laos and Sri Lanka.

Bank President Receives Li Peng

OW1412142090 Beijing XINHUA in English
1404 GMT 14 Dec 90

[Text] Manila, December 14 (XINHUA)—President Kimimasa Taramizu of the Asian Development Bank (ADB) paid a courtesy call on visiting Chinese Premier Li Peng here this afternoon.

On the occasion, Taramizu, calling China "one of ADB's important members," said he expects the bank's good cooperation with China to expand.

Li made similar wishes, after voicing appreciation for ADB's resumption of loans to China.

Taramizu also hoped that China's relations with the Asian-Pacific countries will further develop.

XINHUA Reviews Manila Press

OW1412081490 Beijing XINHUA in English
0750 GMT 14 Dec 90

[Text] Manila, December 14 (XINHUA)—Following are major news items in leading Philippine newspapers today:

—MANILA BULLETIN: President Aquino and Premier Li Peng of the People's Republic of China meet today in the presidential palace to discuss bilateral issues and seek to strengthen diplomatic, economic, and cultural relations between China and the Philippines.

—PHILIPPINE DAILY GLOBE: President Aquino last night reaffirmed the Philippine Government's adherence to the one-China policy as she and visiting Chinese Premier Li Peng vowed to work for better trade and diplomatic relations between the Philippines and China.

—THE MANILA CHRONICLE: President Aquino has accepted the resignation of Trade and Industry Secretary Jose Concepcion, the presidential palace sources said.

—PHILIPPINES NEWSDAY: President Aquino yesterday signed into law the bill creating a department of interior and local government which shall exercise control over local government units and a new civilian national police that will replace the Philippines Constabulary and the Integrated National Police (PC-INP).

—THE PHILIPPINE STAR: President Aquino reaffirmed last night to visiting Chinese Premier Li Peng the Philippines' adherence to the one-China policy.

Li Peng's Laos Visit 'Milestone' in Relations

OW1312165890 Beijing XINHUA in English
1544 GMT 13 Dec 90

[Text] Vientiane, December 13 (XINHUA)—In an exclusive interview with Chinese correspondents, Soulivong Phrasitthideth, who is vice-minister of the Lao Foreign Ministry, said today his government and people are warmly looking forward to Chinese Premier Li Peng's visit to Laos.

He said that Premier Li's visit to Laos "is very important", adding "it is the first time in the history of our mutual relations."

He pointed out that the trip is not only a reciprocal visit for Kaysone Phomvihane's visit to China last year, but also "a milestone in the history of Lao-Chinese bilateral relations."

He said that being close neighbors, the peoples of Laos and China have had a long tradition of mutual assistance and friendly relations.

Soulivong recalled that in the days of Lao national liberation struggle, the Lao people always regarded China as its rear operating base. The Chinese people gave the Lao people consistent support until the establishment of the Lao People's Democratic Republic.

Recalling progress in bilateral relations since Chairman Kaysone's visit to China last year, Soulivong said since then, "relations between Laos and China have made satisfactory progress."

He said that China participated in a trade fair in Vientiane where the Lao people witnessed first-hand the great achievements made by the Chinese people.

He disclosed that the main topic on the agenda when the two premiers talk this time will be to further strengthen Sino-Lao cooperative relations. They will also cover regional and international issues of mutual interest, so as to make contributions for peace and stability in Asia and the world.

Report on Li Peng's Kuala Lumpur News Conference

HK1412071790 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 14 Dec 90 p 1

["Dispatch" by reporter Sun Dongmin (1327 2639 3046): "Li Peng Holds News Conference in Kuala Lumpur"]

[Text] Kuala Lumpur, 13 Dec (RENMIN RIBAO OVERSEAS EDITION)—Before leaving Kuala Lumpur for Manila, Premier Li Peng today held a news conference at the Malaysian National Guest House, to answer reporters' questions concerning Sino-Malaysian relations and some major international problems.

Premier Li Peng first talked about his impressions of the visit to Malaysia. He said: This time, I have come to

Malaysia at the invitation of the Malaysian Government, and the visit is a reciprocal one for Prime Minister Mahathir's visit to China in 1985. During the visit, I have extensively and profoundly exchanged ideas with Prime Minister Mahathir on international problems and the problem of bilateral relations; we have reached consensus on many problems. At the same time, I have had an opportunity to visit Malaysia's industrial, agricultural, plantation, and scientific research units; yesterday, I visited Malacca, a city with a long history. Through these activities, we have further strengthened the friendly relations between the two countries, and I have a better understanding of Malaysia. Malaysia is a developing country that has made great achievements in economic construction during recent years, which we are happy to see and truly admire. During the visit, I have visited the supreme head of state, Sultan Azlan Shah, and we have had friendly and cordial talks. On behalf of President Yang Shangkun, I have officially invited him to visit China.

Thereafter, Premier Li answered reporters' questions.

On the problem of Sino-Malaysian cooperation, Premier Li said China would organize a trade fair in Malacca as a means of promoting trade. He welcomed Malaysian industrialists and businessmen to China for investment activities and said China would also invest in suitable projects in Malaysia.

On the problem of economic cooperation in the East Asian region, Li Peng said: China thinks that it is of great significance to strengthen economic cooperation in the East Asian region. Because the situations in the countries concerned in East Asia are different, and their economic development is not the same, it is therefore necessary to further discuss how and in what way cooperation should take place.

Responding to a reporter's question on both sides' opinion on the Cambodian problem, Li Peng said: During the talks, China and Malaysia reached consensus in many aspects on a political settlement to the Cambodian problem. Both countries think that the various sides in Cambodia should implement the UN Security Council resolutions on the Cambodian problem and also agree that, at present, the crucial point in the Cambodian problem is to elect a chairman of the Supreme National Council in Cambodia. As for the problem of vice chairman, this can be solved through consultation among the Cambodian people themselves after the council is established. Li Peng continued: A political settlement to the Cambodian problem is not only the wish of the Cambodian people but also of the international community. We think that the conditions for solving the problem have matured.

A reporter asked about China's policy toward people of Chinese origin and overseas Chinese in Malaysia. Premier Li said: In the past, many Chinese came to Malaysia to make a living and most of them have now acquired Malaysian citizenship and become Malaysian

nationals. They should naturally perform their obligations toward Malaysia as citizens and enjoy the same rights as other citizens enjoy. Some people still retain Chinese nationality; since they live in Malaysia, they should naturally abide by Malaysia's laws and regulations, live in harmony with other nationalities in Malaysia, and together make contributions to the economic prosperity of Malaysia. He stressed and pointed out: China will not utilize the Chinese here for its own benefits. In addition, some Chinese have friends and relatives in China and we welcome them to China to see their friends and relatives or to conduct economic and trade activities and exchanges on the basis of mutual benefit and equality.

When answering a reporter's question on the modernization construction of China's Army and on the problem of the Nansha Islands [Spratlys], Li Peng said: China follows an independent, self-determining, and peaceful diplomatic policy. China is faced with an arduous task of construction of the four modernizations and will not constitute a threat to any country; the Army's modernization construction is purely for defensive purposes. He said: The Nansha Islands are Chinese territory; that is indisputable fact. China hopes to conduct friendly consultations concerning the different existing opinions with the countries concerned at an appropriate time. Before this, it is better to set aside the issue for the time being.

On the problem of the Gulf crisis, Premier Li said: China's stance is clear and consistent. We are opposed to Iraq's invasion of Kuwait and demand that Iraq pull its troops out of Kuwait unconditionally. At the same time, we favor peaceful means to solve the Gulf crisis, therefore, we welcome every effort in seeking a peaceful settlement.

Foreign Minister Qian Qichen; the minister of the State Commission for Restructuring the Economy, Chen Jinhua; the vice minister of Foreign Economic Relations and Trade, Li Lanqing; the vice minister of Public Security, Tao Siju; and PRC Ambassador to Malaysia Zhou Gang, attended the news conference.

Australia Reiterates Policy on Cambodia

*OW1412030790 Beijing XINHUA in English
0158 GMT 14 Dec 90*

[Text] Canberra, December 14 (XINHUA)—Australian Foreign Minister Gareth Evans has denied his country has any secret agenda to give diplomatic recognition to the Hun Sen regime in Phnom Penh.

Evans also denied that Samdech Norodom Sihanouk had been told privately that Australia expected another armed invasion by Vietnam to eliminate the Khmer Rouge.

Evans told parliament Thursday that there was "no substance at all" in opposition claims that a senior

Australian official had canvassed these possibilities in a meeting with Samdech Sihanouk in Pyongyang on November 2.

He reiterated that Australia remained committed to the United Nations peace plan, under which the United Nations would monitor a ceasefire and oversee the civil administration of Cambodia until free elections could be held.

South Australian liberal Senator Baden Teague tabled a translation of a telegram in French which he said gave Samdech Sihanouk's account of a working lunch with the deputy secretary of the Australian Foreign Affairs Department, Michael Costello.

Evans said he had checked with Costello and "there was no substance at all in the suggestion that is made" and there was no hidden agenda on Australia's part.

3 Cambodian Resistance Forces Agree on Chairman

OW1312220790 Beijing XINHUA in English
1644 GMT 13 Dec 90

[Text] Paris, December 13 (XINHUA)—In a letter to Prince Norodom Sihanouk, leaders from three of the Cambodian resistance parties agreed unanimously on Tuesday not to discuss the establishment of the posts of chairman and vice chairman of Supreme National Council (SNC) of Cambodia in order to hasten discussions for an overall agreement and political solution to the Cambodian issue, the reports said here.

The letter, which was signed by Son Sann, Khieu Sampham and Norodom Ranariddh, said that given the current situation, the most important question is whether all sides involved in the Cambodian conflict, including Vietnam and the regime in Phnom Penh, would accept the agreement reached for a political solution to the Cambodian issue by UN Security Council's five permanent members.

All sides involved in the Cambodian issue would not be allowed to mention the question of the SNC's chairmanship being established in order to avoid giving a clear statement on an agreement having been reached before the two chairmans of the Paris international conference.

The three leaders pointed out that they unanimously believe that Prince Sihanouk is the only one qualified to hold the post of the SNC's chairman.

Sihanouk proposed on December 10 that in view of the disagreement over the SNC's leadership posts, the 12 members of SNC may be able to work equally well without a chairman to realize peace in Cambodia as soon as possible.

Burmese Air Force Commander Visits Hangzhou

OW1312194990 Hangzhou Zhejiang Provincial
Service in Mandarin 1000 GMT 13 Dec 90

[Text] Major General Xu Yongqing, political commissar of the Zhejiang Province Military District, met with a Burmese delegation led by Lieutenant General Tin Tun, commander in chief of the Burmese Air Force, at Hangzhou's Huajiashan Hotel yesterday evening.

In the warm and friendly talks, both parties praised the traditional friendship between China and Burma and wished for continued strengthening and development of friendship between the two nations and their armed forces. After the meeting, Major General Xu Yongqing hosted a banquet in honor of the Burmese guests.

Lieutenant Gen. Tin Tun and his delegation arrived in Hangzhou on a special plane from Shanghai yesterday accompanied by Air Force Deputy Chief of Staff Chen Huiting and others. On the same day, the Burmese guests visited an Air Force unit stationed in Hangzhou, and toured the scenic spots of Xihu Lake, Huanglongtong Cave, and Huanggu Garden. Lieutenant Gen. Tin Tun and his party left Hangzhou for Guangzhou today on a special plane.

Red Cross Society Delegation Ends Burma Visit

OW1412114590 Beijing XINHUA Domestic Service
in Chinese 0851 GMT 13 Dec 90

[Text] Rangoon, 13 Dec (XINHUA)—A delegation from the Red Cross Society of China, led by its secretary general, Han Changlin, left here today for Bangkok, winding up its eight-day visit to Burma.

During the visit, the delegation toured Rangoon and the states of Mandalay and Sagaing. It visited hospitals and public health centers and watched an emergency treatment demonstration by the Burmese Red Cross Society. The two sides also exchanged views on cooperation between the Chinese and Burmese Red Cross Societies.

Near East & South Asia

Wan Li Meets Iranian Friendship Group

OW1412000990 Beijing XINHUA in English
1219 GMT 13 Dec 90

[Text] Beijing, December 13 (XINHUA)—Wan Li, chairman of the Standing Committee of China's National People's Congress (NPC), said here today that China's independent foreign policy of peace will remain unchanged despite drastic changes in the current world situation.

He made the remark at a meeting with a delegation of Iranian-Chinese Friendship Group of the Islamic Consultative Assembly (Majlis) led by Mohamed Ebeahim Asgharzadeh, member of the Presidium and chairman of the Iranian-Chinese Friendship Group of the Majlis.

He said that the Gulf region is still locked in a grave crisis.

Noting that both China and Iran oppose Iraq's occupation of Kuwait and demand Iraqi withdrawal from Kuwait, Wan said the two countries also stand for a peaceful settlement of the crisis.

He said that once a war breaks out, the Gulf region will be devastated and the world economic situation affected.

"Therefore, a peaceful settlement should be sought out as long as there is a thread of hope," he stressed, adding that China hopes Iran will play its role in the settlement of the crisis.

Asgharzadeh said that Iran appreciates China's stand on the settlement of the Gulf crisis. The Iranian people who are reconstructing their country are especially anxious about a war in the region.

The Iranian visitors have been here as guests of the NPC Sino-Iranian Friendship Group.

Wu Xueqian Meets Iranians

*OW1412111690 Beijing XINHUA in English
1042 GMT 14 Dec 90*

[Text] Beijing, December 14 (XINHUA)—Chinese Vice-Premier Wu Xueqian met a delegation from the Iranian-Chinese Friendship Group of the Islamic Consultative Assembly (Majlis) here this afternoon.

The visitors led by Mohamed Ebeahim Asgharzadeh, member of the Presidium and chairman of the Iranian-Chinese Friendship Group of the Majlis, have been here as guests of the Sino-Iranian Friendship Group of China's National People's Congress.

Iraq Claims Right To Fix Baker's Meeting Date

*OW1412015490 Beijing XINHUA in English
0033 GMT 14 Dec 90*

[Text] Baghdad, December 13 (XINHUA)—A spokesman for the Iraqi Foreign Ministry announced today that his country has the right to fix the date for the meeting between U.S. Secretary of State James Baker and Iraqi President Saddam Husayn.

The IRAQI NEWS AGENCY quoted the spokesman as saying, "Iraq will not accept anyone fixing a date for a meeting with President Saddam Husayn. It is up to Iraq to fix the appropriate dates for visits to its capital and for meetings with its president. ... and the United States has the right to do in a likewise manner."

The U.S. side has proposed Baker's visit to Baghdad from December 20 to 22 or January 3 to talk about the Gulf crisis. But Iraq turned down the U.S.-proposed dates as unsuitable and suggested January 12 for the Baghdad meeting. The United States rejected the Iraqi suggestion.

Iraq then suggested that the United States fix the date for the Washington trip by Iraqi Foreign Minister Tariq Aziz and Iraq set the time for Baker's visit to Baghdad.

The Iraqi spokesman said, "Iraq, which has agreed to start a dialogue with the United States and expressed its desire that it be a serious dialogue, has already shown its good faith."

He accused the U.S. side of "playing a game" aimed at misleading U.S. public opinion and Congress about its intention to attack Iraq.

The spokesman declined to mention anything about the newly proposed date for the Baghdad meeting between President Saddam and Secretary Baker. Reports said however that Iraq has proposed to the United States January 7 as the date for the meeting in Baghdad.

Last Plane Leaves Baghdad With U.S. Envoy

*OW1312221390 Beijing XINHUA in English
1637 GMT 13 Dec 90*

[Text] Cairo, December 13 (XINHUA)—Ninety-four foreigners left Baghdad for home today on what was said to be the last chartered plane for hostages released by Iraq, reports reaching here said.

The reports said that U.S. Ambassador to Kuwait Nathaniel Howell and four of his staff, who had been holding out in their besieged compound since Iraq ordered all foreign missions closed on August 24, were among the passengers.

Others leaving on the same U.S.-chartered plane were 25 Americans, including three members of the Baghdad Embassy staff, 25 Britons, also including three Baghdad Embassy personnel, 16 Canadians, nine Japanese and an unspecified number of Italians, Norwegians, Irish and other nationals.

Iraq last week decided to allow all foreigners, who had been barred from travelling home after Baghdad's August 2 invasion of Kuwait, to leave. Earlier, Iraq freed foreigners in batches at the appeals of dignitaries from various countries.

More than one thousand of the last group, including those held by Iraq at strategic sites to deter a strike by the U.S.-led multinational forces deployed in the Gulf region, have departed since last Friday.

But U.S. State Department said as many as 500 Americans, most of them children, would remain in Iraq and Kuwait. The majority have family ties or other connections, reports said.

West Europe

PRC Protests Norway's 'Gross Interference'

OW1412100490 Beijing XINHUA in English
0951 GMT 14 Dec 90

[Text] Beijing, December 14 (XINHUA)—An official of the Chinese Foreign Ministry today lodged a protest with the Norwegian Government against its "gross interference in China's internal affairs".

The protest was lodged when a responsible member of the West European Affairs Department of the Chinese Foreign Ministry summoned the Norwegian ambassador to China here.

On December 11, the responsible member noted, Jo Benkow, the Norwegian president of the Storting, and Thorvald Stotenberg, the Norwegian foreign minister, met separately with Chai Ling, a criminal wanted by the Chinese public security authorities. The acts of the Norwegian Government, he said, "Constitute a violation of norms governing international relations and a gross interference in China's internal affairs."

The responsible member of the department pointed out that by going so far as to arrange Chai Ling's meetings with the president and the foreign minister in addition to allowing her activities in Norway in disregard of the repeated representations of the Chinese side, the Norwegian side was condoning and supporting Chai Ling's continued activities against the Chinese Government after fleeing the country.

As a sovereign state, he added, China has never interfered in the internal affairs of other countries but will never allow other countries to interfere in its internal affairs under any pretext.

"We demand that the Norwegian Government strictly abide by the norms guiding international relations and refrain from doing anything further to harm Sino-Norwegian relations," he said.

'Full Text' of Sino-British Communiqué

OW1412100990 Beijing XINHUA in English
0959 GMT 14 Dec 90

[Text] Hong Kong, December 14 (XINHUA)—The Sino-British joint liaison group ended its 17th meeting here today.

The communiqué issued after the meeting follows (full text):

The Sino-British joint liaison group held its 17th meeting in Hong Kong from December 11 to 14, 1990.

The two sides had a further exchange of views on the convergence of civil rights law before and after 1997.

The group reviewed the discussions by experts on practical arrangements for the defence of Hong Kong and the maintenance of its public order and had a further exchange of views.

On the basis of the work of its standing sub-group on international rights and obligations, the group had an initial exchange of views on matters relating to customs treaties applied to Hong Kong. They agreed the standing sub-group should start preparatory work on multilateral treaties applied to Hong Kong concerning trade, conservation and health.

The group had a useful exchange of views on Hong Kong's air service agreements and made further progress.

With regard to the work on localization of legislation the two sides reached a common view on questions relating to the localization of merchant shipping safety regulations.

The two sides had an exchange of views on protecting and promoting investment between Hong Kong and relevant countries and made progress.

The two sides had a preliminary exchange of views on arrangements for mutual legal assistance in criminal matters with relevant countries.

On the basis of the work of experts the group discussed the establishment of a court of final appeal in Hong Kong and made progress.

The group had a further exchange of views on questions relating to the adaptation of Hong Kong's laws and reached agreement on the procedure for consultation in this area.

The two sides also had a discussion on the question of major franchises which will extend beyond 1997 and agreed on mechanisms to keep the Chinese side informed about such franchises.

The joint liaison group agreed that its next meeting would take place in Beijing in the week beginning March 11, 1991.

Summary of Talks on Aid Signed With Germany

OW1412111890 Beijing XINHUA in English
1043 GMT 14 Dec 90

[Text] Beijing, December 14 (XINHUA)—China and Germany signed a summary of talks here today on the eighth meeting of the mixed committee between the two governments on finance and development aid.

Chinese Assistant Minister of Foreign Economic Relations and Trade Liu Yan and German State Secretary for the Ministry of Economic Cooperation S. Lengel signed the document.

Germany To Grant Loan to Investment Bank

*HK1412023490 Beijing CHINA DAILY in English
14 Dec 90 p 2*

[By staff reporter Lau Zhang]

[Text] The China Investment Bank has signed a contract with the German government to borrow around 27 million Marks (\$18 million) in hard currency, CHINA DAILY learned yesterday.

A bank official said the mixed loan, which was suspended after June late year, was the first loan provided by the German Government since that time.

The China Investment Bank, which will be in charge of relending the money, signed the contract with the German Government in Frankfurt on Monday.

The loan would be used in technical renovation projects in automobile production, light industry and textiles, the official said.

Established nine years ago, the bank is specially designed to deal with money provided by the World Bank and the Asian Development Bank, with commercial loans from Western banks and with loans provided by foreign governments.

Shanghai Financial Company Formed With France

*OW1312202090 Beijing XINHUA in English
1617 GMT 13 Dec 90*

[Text] Shanghai, December 13 (XINHUA)—The Shanghai Joint Financial Company was established here today under an agreement concluded between two Chinese financial firms and the General Society Bank of France.

The Shanghai Joint Financial Company, which has a registered capital of 20 million U.S. dollars, was jointly established by the Shanghai branch of the People's Construction Bank of China, the Shanghai Investment and Trust Corporation, and the General Society Bank of France.

The agreement stipulates that the French bank will provide 50 percent of the funding, and that the two Chinese firms will each provide 25 percent.

The Shanghai Joint Financial Company is expected to raise funds for both large and medium sized construction projects in Shanghai's Pudong area, as well as in other parts of the country, and to provide other financial services.

Political & Social

Dalai Lama Calls for Sino-Tibetan Confederation

BK1312151090 Hong Kong AFP in English 1504 GMT
13 Dec 90

[Text] New Delhi, Nov 13 (AFP)—The Dalai Lama called Thursday for a confederation of Tibet and China and said he no longer demanded a homeland for the Tibetans, the PRESS TRUST OF INDIA (PTI) reported.

The Dalai Lama said a complete separation of Tibet from China was not necessary, PTI said, adding that the Tibetan Buddhist leader instead suggested a "loose confederation" of the two countries.

But the Dalai Lama, who won a Nobel Prize last year for peace, warned that his people's determination to fight "Chinese repression" would become "stronger and stronger if more repressive measures were adopted by Beijing," PTI said.

The comments reinforced his statement in August that he would settle for autonomy within China.

The Dalai Lama reportedly said in Madras that his suggestion was aimed at finding a "middle way" to change the situation in Tibet without demanding complete separation from China.

"Historically, geographically, culturally and linguistically Tibet was a separate country (from China), however after the Chinese occupied it, a lot of things have changed," the Dalai Lama said.

He reportedly explained that his suggestion aimed only at changing the "present arrangement."

Speaking of the winds of change blowing over Eastern Europe, he said he was confident the changing atmosphere would definitely have an impact on the Chinese leadership.

"But it would take five to 10 years," the Dalai Lama said, adding that China would wait to see the success of the changes in Eastern Europe before adopting them.

The Dalai Lama, who fled to India after the failed anti-Chinese uprising in Tibet in late 1950s, said he was doubtful about the response from the Chinese authorities to his proposals. If Beijing agreed to his suggestions the Tibetan people would benefit, he added.

"My proposals for peaceful negotiations on the Tibetan issue two years back did not get any concrete response from China," PTI quoted him as saying.

The Dalai Lama also reiterated his demand that Tibet be declared a zone of peace and should be demilitarised, the agency reported.

"The immeasurable human rights violation and Chinese demographic oppression are two things to which immediate attention has to be paid," the Dalai Lama was quoted as saying.

Some 100,000 followers of the Dalai Lama also followed their leader when he fled to India in 1959. They have been living in the northern Indian town of Dharamsala. His government-in-exile is not recognised by India or any other country.

Yao Yilin Chairs State Council Executive Meeting

OW1412123590 Beijing XINHUA Domestic Service
in Chinese 0630 GMT 14 Dec 90

[Text] Beijing, 14 Dec (XINHUA)—Yao Yilin, acting premier of the State Council, today presided over the State Council's 74th executive meeting, which discussed and approved in principle the "Regulations Governing Chief Accountants (Draft)".

The draft regulations were drawn up according to the practical experience summed up by some enterprises adopting the chief accountant system. As early as the 1950's, some large and medium-sized enterprises in China created the post of chief accountant. Both the "Some Regulations on Appointing Chief Accountants by State-Owned Enterprises and Transportation Enterprises (Draft)" issued by the State Economic Commission and the Finance Ministry and approved and transmitted by the State Council in 1963, and the "Regulations on the Functions and Authority of Accounting Personnel" promulgated in 1978 contain some stipulations regarding the appointment of chief accountants by enterprises as well as the functions and authority of chief accountants. The "Provisional Regulations Governing State-Owned Industrial Enterprises" promulgated by the State Council, and other relevant regulations promulgated after 1983 also approve the establishment of the chief accountant system.

Today's meeting held that practice over the years shows that the chief accountant system plays an active role in strengthening enterprises' economic management and improving their economic results. However, since the work of restructuring the economic system began, enterprises' economic conditions greatly changed. As a result, many problems were encountered in implementing existing regulations governing chief accountants—with major problems being that the position, responsibility, and authority of chief accountants are not clearly specified—and that no stipulations governing the terms of the appointment of chief accountants were established. To meet the needs arising from reforming enterprises' leading system, to ensure that chief accountants can carry out their duty according to the law, and to enable chief accountants to play a more active role in enterprises' economic management, it is necessary to establish and promulgate the "Regulations Governing Chief Accountants".

One of the prominent points in the draft regulations approved by today's meeting is that they clearly define the position and responsibility of chief accountants. The regulations point out: Chief accountants assist major administrative leaders of units in carrying out their work, and directly report to these leaders. Chief accountants organize a unit's financial management, cost management, budgetary management, and accounting computation and supervision; and take the lead in managing these affairs. They participate in making analyses and decisions for a unit's important economic matters; and organize the unit to implement relevant financial and economic laws, regulations, guidelines, policies, and systems of the state in order to protect the state's property.

The draft regulations stress chief accountants' job in supervising financial and accounting affairs; and clearly stipulate that chief accountants have the authority to stop or correct acts that violate the state's financial and economic laws, regulations, guidelines, policies, and systems, as well as acts that may cause economic losses or wastes. The draft regulations also stipulate that the authority of chief accountants is protected by the law and that major administrative leaders of units should support chief accountants in exercising their functions and powers according to the law.

The draft regulations also contain stipulations governing the terms of employment, appointment, and removal of, as well as rewards and punishment for chief accountants.

The State Council's executive meeting approved in principle the draft regulations, and decided that they be promulgated for implementation after necessary amendments are made.

Yuan Mu Denies Central-Regional Struggle

HK1412023190 Hong Kong SOUTH CHINA MORNING POST in English 14 Dec 90 p 11

[By Willy Wo-lap Lam]

[Text] The spokesman of the central Government, Mr Yuan Mu, has denied that the leadership was divided or that the central Government was pitted against the regions in a power struggle.

He has also reaffirmed China's commitment to socialism, saying it would eventually triumph over capitalism.

But in a wide-ranging interview with the correspondent of the German financial newspaper, *HANDELSBLATT*, Peter Seidlitz, Mr Yuan admitted that a minority of the nation's intellectuals felt depressed and Beijing was working out ways to stir up the "creativity and enthusiasm" of the people.

Mr Yuan, a key adviser to Prime Minister Mr Li Peng, denied reports that the seventh plenum of the party,

scheduled to open on Christmas day, had been repeatedly delayed because of a factional struggle.

"The foreign media, especially the Hong Kong press, has reported that the plenum has been delayed because of 'internal divisions within the party'," he said. "However, the question of delay does not exist because, aside from the fact that it would be held this year, we had never fixed a date for it."

Mr Yuan said China would make further advancements on reform, including delegating more authority to local authorities.

But he said decentralization over the past 10 years had led to a number of undesirable phenomena. These include the diminished share of national revenue by the central Government, duplication of investment, wastage of resources, and regional protectionism.

"We will not return to the centralized, command economy," he said. "However, there is also a need for an adequate strengthening of necessary centralization."

Mr Yuan claimed that on this point "there is no disagreement between the central and local administrations".

He dismissed as "absolute nonsense" reports in the Hong Kong press that Beijing had wanted to transfer him to a senior post in Guangdong but this had met resistance from local cadres.

"The Hong Kong press suggests that the central Government is worried about Guangdong and that it wants to send somebody there to tighten control," he said. "This question does not exist."

Turning to Mr Deng Xiaoping, Mr Yuan said the patriarch had retired.

However, Mr Yuan said party and government leaders regarded Mr Deng as a politician with enormous experience, and his advice would be sought on all important decisions.

When asked whether there was a crisis of confidence among the nation's intellectuals, Mr Yuan said "the observation that a small minority of intellectuals feel under pressure and are depressed is partly right".

But he stressed that specially after the events of June 4, more and more people had become convinced that "maintaining stability" is vital for economic development.

Deng Xiaoping Writes Inscription for New Book

HK1412124290 Xian Shaanxi Provincial Service in Mandarin 0030 GMT 14 Dec 90

[Text] A ceremony marking the official publication of a large-scale reportage entitled "China Window," which was written by (Yin Xinong), a writer of our province, was solemnly held in Beijing's Great Hall of the People recently.

Wu Xiuquan, member of the Standing Committee of the Central Advisory Committee; Yang Jingren, vice chairman of the CPPCC National Committee; and other leading comrades attended the ceremony.

(Yin Xinong) is a rising reportage star among the writers of our province. The book "China Soul," which was written by him on the Laoshan front in 1987, has been highly recommended by readers both within and without the Army.

"China Window" is a book about the economic construction of a special economic zone. It vividly and realistically described the great achievements scored by the Zhuhai people who have worked hard under the guidance of the party's policies of reform and opening up.

Comrade Deng Xiaoping has written the following inscription for the book: The Zhuhai Special Economic Zone Is Good.

(Yin Ximeng) decided to donate the 5,000-yuan remuneration he received for writing the book to the Zhuhai people. In 1987, he donated the payment for his "China Soul" to the martyrs' families.

Li Ruihuan Congratulates Guangdong Opera Festival

OW1312181290 Beijing XINHUA in English
1406 GMT 13 Dec 90

[Text] Guangzhou, December 13 (XINHUA)—The Guangzhou International Guangdong Opera Festival opened here Wednesday evening when over 100 Guangdong Opera artists from ten countries and regions performed the traditional opera "Prime Minister of Six Kingdoms."

Li Ruihuan, a member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party of China, sent a message of congratulations on the opening of the festival.

Over 30 Guangdong Opera troupes will give over 40 performances of various styles during the eight-day festival.

The overseas troupes include those from the United States, Britain, Canada, Singapore, Thailand, Malaysia and Hong Kong.

Jiang, Others Pay Last Respects to Zeng San

OW1312231290 Beijing XINHUA Domestic Service
in Chinese 1342 GMT 13 Dec 90

[Excerpt] Beijing, 13 Dec (XINHUA)—A ceremony to pay last respects to Comrade Zeng San, an exemplary CPC member, long tested loyal communist fighter, proletarian revolutionary, pioneer of radio and telecommunications of the party and the Army, vanguard of New China's archives undertakings, and prominent leader, was held at the auditorium of the Babaoshan Cemetery of Revolutionaries this afternoon.

Comrade Zeng San died of illness in Beijing on 28 November, at the age of 85. He was a member of the Central Advisory and Discipline Inspection Commissions, deputy secretary of the party committee of organs under the CPC Central Committee, and deputy director of its General Office.

A CPC flag covered Comrade Zeng San's remains laying amid flowers and pine branches.

Party and state leaders Jiang Zemin, Yang Shangkun, Qiao Shi, and Song Ping attended and laid wreaths at the ceremony.

Among those who also attended the ceremony were Tian Jiyun, Li Tieying, Wu Xueqian, Song Renqiong, Wen Jiabao, Wang Ping, Wang Shoudao, Liu Lantao, Li Desheng, Xiao Ke, Zhang Jingfu, Chen Xilian, Duan Junyi, Liao Hansheng, Chen Muhua, Hong Xuezhai, Wang Guangying, Zhao Puchu, and Qian Zhengying.

Wreaths were sent from Deng Xiaoping, Li Peng, Chen Yun, Wan Li, Li Xiannian, Peng Zhen, Deng Yingchao, Nie Rongzhen, Yao Yilin, Li Ruihuan, Wang Zhen, Li Ximing, Qin Jiwei, Ding Guangen, Bo Yibo, Liu Huaqing, Yang Baibing, Yu Qiuli, Zhang Aiping, Chen Pixian, Hu Qiaomu, Geng Biao, Cheng Zihua, Xi Zhongxun, Peng Chong, Zhu Xuefan, Yan Jici, Rong Yiren, Ye Fei, Fei Xiaotong, Sun Qimeng, Lie Jieqiong, Wang Bingqian, Song Jian, Wang Fang, Zou Jiahua, Chen Xitong, Ren Jianxin, Gu Mu, Kang Keking, Zhou Peiyuan, Deng Zhaoxiang, Qian Xuesen, Qian Weichang, Hu Sheng, Sun Xiaocun, Cheng Siyuan, and Ismail Amat.

Wreaths were also sent from the CPC Central Committee, the State Council, the Central Military Commission, the Central Advisory Commission, the Central Discipline Inspection Commission, the General Office of the CPC Central Committee, the Organization Department of the CPC Central Committee, the Work Committee for Organs under the CPC Central Committee, the Work Committee for Central Government Organs, the State Bureau of Archives, the Central Archives Bureau, the Hunan Provincial CPC Committee, the provincial people's government, the provincial advisory commission, and the Yiyang City party committee. [passage omitted]

HEBEI RIBAO Carries Articles on Socialism

HK1112153590 Beijing RENMIN RIBAO in Chinese
5 Dec 90 p 5

[Report by Cao Kongrui (2580 1313 3843): "HEBEI RIBAO Publishes a Series of Articles Actively Propagandizing Scientific Socialist Theory"]

[Text] Since July, HEBEI RIBAO has been publishing a series of articles in coordination with cadres' study of socialist theory.

On 25 July it published the article "Correctly Understand the Twists and Turns of Socialism" by Zhao Yiwen, Chen Guangsheng, and Wang Zhaoxin. The article employs Marxist materialist dialectic viewpoint and arguments and proves, in three aspects, the progress of socialist undertakings: The progress of socialist undertakings is not linear but spiral and ascending or moving ahead in a wave-like fashion. Being tortuous is a basic feature in the development of newborn things. Adherence to the unity theory of the progressive yet tortuous nature of socialist undertakings will steel the confidence in the final triumph of socialism.

On 15 August it published the article "On Problems of the Understandings of Socialism" by Feng Xipu and Ge Lanjun. These problems are: Whether Marxism is "outdated" and socialism has met with "great failure," and how we should understand the difficulties and setbacks encountered in socialist practice and whether the scientific proof that "socialism is bound to win out while capitalism is doomed," remains correct. The article pointed out that genuine Marxism does not have the problem of "being outdated." The essence and imperative of Marxism is of a scientific world outlook, and the basic view it propounds is not troubled by the problem of "being outdated." It is a guide for action and not specific answers; and as a "guide for action" it will never become outdated. It develops continually along with the development of practice, and as it is not a fossilized dogma there is not the problem of "being outdated." The article points out that the grim situation confronting contemporary socialism is not a "great failure" of socialism but a temporary setback, which did not come from the socialist system itself. The serious challenge facing socialism is not a "total crisis;" rather serious challenge refers primarily to the international hostile forces' efforts to "evolve" socialist countries in political, economic, intellectual, cultural, and ideological areas and those of value concept. Such forces are engaged in an all-out contest with the socialist system, or are even attempting to incite internal or external conflicts. The exercise of the superiority of the socialist system takes a process, and the inevitable outcome of social development is the replacement of capitalism by socialism.

On 22 August the paper published a long article "The Path of Socialism Is Not the Pedestrian Walk of the Neva Boulevard," which made a point of discussing the problem of the twists and turns in the socialist path with a view to answering the questions of "why there is the possibility of socialist countries being converted by the evolution of Western capitalist countries." The article first suggests understanding peaceful evolution in the context of predominating historical trend, then analyzes the danger and long-term nature of peaceful evolution and points out that defeating peaceful evolution is a long-term strategic mission.

On 12 September it published Feng Lan's article "A Few Words on the Understanding of Contemporary Capitalism," which puts forward the following arguments concerning some of the new phenomena in the development

of capitalism: The nationalization of contemporary capitalism has not changed the private ownership nature of enterprises; it is still the private ownership of a "collective capitalist." The reformist measures of contemporary capitalism have not changed the status of the working class as one under exploitation but have been a means with which to strengthen the rule of the monopolistic capitalist class. The appearance of the "white-collar worker" class in contemporary capitalism signifies that the force that will finally bury capitalism has appeared. There is duality in the capitalist production and technological development which, while raising its productive forces, will bring disasters to capitalism.

On 10 October the paper published Lu Chuanzan's article "Resolving the Problem of Understanding at a Deep Level and Steeling the Faith in Socialism." On 31 October the excerpt of addresses by party committee secretaries of Cangzhou Prefecture and of cities and counties under the prefecture at seminars on the study of socialism, "Steel the Socialist Faith and Adhere to the Socialist Direction" was published. The excerpt consists of three parts: "Socialism Can Be Made Clear," "Socialism Is a Historical Process" and "Socialism and Party Leadership."

To coordinate with the study of socialist theory by cadres at or above the county level, as of 7 November, this newspaper has opened a special "study letterbox" column aimed at answering problems and doubts encountered in the study. The article published in the column on that date was "It Is a Historical Inevitability That Economically Backward Countries Will Take the Socialist Path."

Party Branch's Role in Rural Areas Viewed

HK1412122590 Beijing RENMIN RIBAO in Chinese
8 Dec 90 p 3

[Report by Zheng Fawei (6774 4099 0251): "The Role of Party Branches in Maintaining Public Order in Rural Areas"; first paragraph is editor's note]

[Text] During his inspection in Henan this August, Comrade Qiao Shi, member of the Central Political Bureau Standing Committee, paid a special visit to Xuchang county's Zhangdi and Songzhuang villages to inquire into their public order. He suggested that their experience be promoted. The practice of Zhangdi and Songzhuang villages proves that there are many things to do to maintain public order in rural areas, of which the most important is to strengthen party branches in rural areas and to build them into a powerful fighting force. Only in so doing, can we bring into full play the role of party branches as the leading nucleus in various rural tasks, and can we effectively mobilize and organize the masses to implement various public order measures at grassroots levels.

In recent years, the party branches of Xuchang county's Zhangdi and Songzhuang villages in Henan Province

have vigorously organized the masses to comprehensively tidy up the villages' public order. In this way, they have brought into full play their role as the fighting force. Over the past four years, in the two villages, no-one has broken any laws or committed any crimes, and no theft of the collective or people's property has occurred. Fighting, gambling, and feudal superstitious activities have basically been eradicated. The villages' public order is good, people live and work in peace and contentment, and their economies are continually improving. Last year, the two villages were conferred the title of "twin civilized villages."

Strengthen the Unifying Force and Combat Effectiveness So That the Party Branch Can Become a Powerful Fighting Force

The party branches of Zhangdi and Songzhuang villages have learned through practice that only by strengthening their unifying force and combat effectiveness can the party branches become a powerful fighting force, and can the masses be effectively mobilized and organized to comprehensively tidy up social order. For this reason, they first demand cadres and party members remain honest and incorruptible. Over the years, the party branches have always stuck to the "three meetings and one lesson" system, and frequently taught village cadres and party members to serve the people wholeheartedly, remain incorruptible, and abide by laws. They have formulated the "Rules for Village Cadres To Remain Incorruptible," and insist on convening a democratic life meeting of the Party Branch Committee every month to enquire into corruption and bribery. In half a year and at the end of a year, they make democratic appraisals of leading group members and party members, and they accept the supervision of people within and outside the party. For the allocation of residential land, contracted fields, diesel oil, and chemical fertilizer, the party branches and village committees discuss and make decisions, and in this respect cadres never receive any special treatment. Over the past two years, no cadre in the villages has illegally taken possession of collective property or accepted and offered bribes. Second, the exemplary role of party members has been brought into full play. The villages demand that every party member maintain connections with five to 10 households, spread the party's and state's policies and laws, carry out ideological and political education, arrange the masses for voluntary patrols, mediate settlements and resolve disputes, and help poor families eliminate poverty. Twenty party members in Songzhuang village have been appraised as outstanding models that have helped the masses eliminate poverty. Third, they make efforts to do substantial things for the people. Songzhuang village has set up a chemical accessory factory and a cement factory, thus consuming the surplus work force. Zhangdi village invested nearly 200,000 yuan in repairing schools, constructing a cultural hall, opening wells, maintaining and building roads, dredging and draining gutters, constructing bridges, thus meeting the urgent needs of the

masses in production and their daily life. These measures have linked the hearts of the masses and the party branches.

Take the Initiative To Eradicate Factors Contributing to Social Instability; Make Efforts To Maintain Stability and Unity

To eradicate all factors that contribute to social instability at the grassroots levels and in their infancy, Zhangdi and Songzhuang formed three defense lines: First, the party branches and village committees always study problems regarding public order, investigate and eliminate factors that contribute to social instability, and resolve problems as soon as they crop up. For families and persons involved in serious disputes, village cadres visit them and work patiently with them. Second, they make the settlement of people's disputes a job in "linking party members and households." Third, they bring into full play the role of mediation organizations. As they perform their duties carefully and settle disputes in no time, no radical conflict has ever occurred in the two villages, nor has any dispute been referred to the superior authorities. As for the 12 released criminals who have been discharged of their labor service, the villages have assigned them to special personnel for help and training so that they can eventually rely on themselves and earn their own living.

During last year's turmoil, Songzhuang village party branch held many branch committee meetings, village committee meetings, and mass meetings to educate party members and villagers not to believe the rumors and not to spread them. They voluntarily maintained order and unity with the result that the masses all over the village were stable in their ideological faith, and production and life remained in good order. Forty percent of Zhangdi village's population are the Hui Muslims; since the Han nationality and the Hui nationality have different religious beliefs, customs, and habits, they are likely to incur nationality disputes over unimportant matters. Therefore, village cadres voluntarily take the lead in bringing nationality unity to them. The unity between the Hui and Han cadres has set a good example, and everyone in the village voluntarily maintains the good atmosphere of nationality unity. They help one another and work for common prosperity. Over the past 10 years, the Hui and Han nationalities have been as friendly to each other as family members, and have never caused any nationality and neighborly disputes over religious differences.

Patrolling To Maintain Order

For a long time, two villages have arranged for voluntary patrol by the masses. Zhangdi village has formed 60 voluntary patrol groups with party members and militiamen as leaders, and over 500 villagers assume patrol duties. While Songzhuang village has divided the village's 80 party members, cadres and young militiamen into six patrol groups for various shifts. Under the leadership of cadres and party members, the masses in the two villages voluntarily participate in voluntary

patrol duties, and effectively maintain the villages' order. During their patrol, the two villages arrested 27 criminals, who fled from other places into the villages and committed crimes.

Pay Attention To Education; Set a New Trend; Make Efforts To Radically Prevent and Reduce Crimes

The party branches of the two villages hold that only by paying proper attention to education can we radically prevent and reduce crimes and maintain public order. They begin with strengthening the masses' concept about the legal system and laws, and thoroughly and consistently teach them general legal knowledge. The villages have established schools offering elementary general legal courses, instituted study systems, and regularly arrange the masses for lessons on laws. The villagers not only abide by laws on their own initiative, but also help combat injustice and voluntarily maintain public order. One day, when a long-distance truck went past Zhangdi village, the driver, a Hong Kong businessman, was approached by robbers. When the villagers heard the driver's cry, they came to his help from the village in all directions, surrounded the armed robbers, and caught them. The two villages attach great importance to improving the ideological and cultural quality of villagers, and frequently carry out interesting cultural activities. Zhangdi village invested over 40,000 yuan in constructing a cultural hall, which consists of a school offering courses on general laws, a technical evening school, a library, entertainment halls, and sports halls, and homes for women, the youth, and militiamen. They also vigorously carry out activities to appraise outstanding and exemplary persons so as to stimulate people's self esteem and sense of honor. The two villagers have an atmosphere of mutual understanding, concession, respect, help, and advanced civilization.

Science & Technology

Li Ruihuan at Science, Technology Award Meeting

OW1312235190 Beijing XINHUA Domestic Service in Chinese 1430 GMT 12 Dec 90

[By reporters Jiang Zaizhong (1203 0961 1813) and Sun Yinglan (1327 5391 5695)]

[Text] Beijing, 12 Dec (XINHUA)—The second national meeting to present awards to science and technology entrepreneurs was held in Beijing today. Li Ruihuan, Tian Jiyun, Yan Jici, Song Jian, and others attended the meeting and presented awards to the winners.

Of the 43 winners, 10 received gold awards, 31 silver awards, and two received special awards.

Amid the tide of economic reform and the restructuring of science and technology management, a large number of scientists and technicians have taken the initiative in setting up all types of science and technology organizations and enterprises, shaking off the bonds of the old

system. With their outstanding capabilities and selfless struggles, they have achieved outstanding success in the electronics, machine-building, chemical industry, biology, and other areas. Of all the enterprises established by the award winners, the per capita output of enterprises set up by 26 of them has exceeded 100,000 yuan, and the per capita output of enterprises set up by nine of them has reached 500,000 yuan.

While setting up their enterprises, these scientists and technicians have attached importance to developing high technology into products, thus promoting the development of China's high-technology industry. For instance, close to 500,000 sets of oil- and water resistant protective garments developed under the supervision of Zhou Guotai, president of the Science and Technology Development Department of the Military Supply and Equipment Research Institute under the General Logistics Department have been produced, and these garments enjoy great popularity among oil workers.

One distinctive characteristic shared by award winners is their active participation in international competitions and their efforts to promote their goods on the world market. Because of the development of the Yun-7 and Yun-8 transport planes under the supervision of Yi Zhibin, executive vice president of the Xian Aviation Industry Company, the company's annual output value has exceeded 300 million yuan. Moreover, it has earned more than \$30 million in foreign exchange for the state. According to statistics, each of the 13 award winning enterprises earns more than \$1 million in foreign exchange annually.

According to a report delivered at the meeting by Li Xue, vice minister in charge of the State Science and Technology Commission, ever since the adoption of the reform and open policy 10 years ago, more than 3,500 science and technology development enterprises have been established by science and technology research organizations and institutes of higher learning in China, the number of public-owned science and technology organs and enterprises has now exceeded 15,000, and these enterprises and the 400,000 workers employed by them have become a new force in developing and spreading technological achievements, turning them into commodities. Li Xue urged the entrepreneurs to keep up the good work and continue to contribute their intelligence and wisdom to restructuring science and technology management and developing China's new and high-technology industry.

'Brilliant' Achievements Seen in Aerospace Industry

HK1312143690 Beijing RENMIN RIBAO in Chinese 7 Dec 90 p 1

["Dispatch" by reporters Zhang Guorong (1728 0948 2837) and Zhang Heping (1728 0149 1627): "China Scores Remarkable Results in Its Aerospace Industry This Year"]

[Text] Beijing, 5 Dec (RENMIN RIBAO)—By resolutely implementing the party's basic line and the policy of economic improvement and rectification and deepening reform, China achieved inspiring and brilliant results in its aerospace industry in the last year of the Seventh Five-Year Plan. During this year, China successfully launched five man-made satellites, which was the highest number in the past more than 30 years. The number of new types of aircraft produced this year was also the highest in the past 40 years. This was disclosed by Lin Zongtang, minister of aerospace industry, at a news conference today.

The satellites launched by China this year include: The Dongfanghong-2A communications and broadcast satellite and the Asia-1 satellite launched by the Long March-3 rocket; the experimental satellite launched by the Long March-2 rocket, a new carrier rocket with a big thrust; the Fengyun-1 meteorological satellite launched by the Long March-4 rocket; and the recoverable scientific experiment satellite launched by the Long March-2C rocket.

This year, China also developed many new types of airplanes, including the JP-7 trainer and the Y-7 200B passenger plane. The JP-7 supersonic trainer fighter plane produced by the Guizhou Aviation Industrial Corporation is a new type of military airplane for export. The Y-7 200B passenger plane produced by the Xian Aircraft Industrial Corporation is a modification of the Y-7 100 passenger plane, and is safer, more reliable, more economic, and more comfortable than the latter.

Moreover, great achievements have also been made in scientific research, production, foreign trade, and other fields of the aerospace industry. There are now more channels for the export of the Y-12 multipurpose plane as it has been issued an airworthiness certificate by the British Civil Aviation Administration. On the basis of exporting eight Y-12 planes, contracts have been signed for the export of 14 more such planes. The 17 MD-82 150-seat passenger planes jointly produced by the Shanghai Aviation Industrial Corporation and the U.S. McDonnell-Douglas Corporation have been put to use and their operations are good. At the same time, China has delivered the first pair of tail sections for the MD-82 plane it has produced to the McDonnell-Douglas Corporation.

At present, China has established five large-scale ground satellite stations for civil use, 15 small-scale ground stations, more than 20,000 satellite television receiving stations, and more than 2,000 satellite data stations. By using all kinds of applied satellites, very good social benefits and economic results have been achieved in the economic, science and technological, cultural, educational, and military fields. Of this, the use of the three communications and broadcast satellites alone helped China save 380 million yuan of rentals for hiring international communications satellites.

By implementing the policy of combining military with civilian production, new headway has also been made by

the aerospace industry in the development and production of civil products. Its total export volume this year can be expected to exceed \$300 million.

High-Tech Projects Listed in 8th 5-Year Plan

HK1312120890 Hong Kong ZHONGGUO TONGXUN
SHE in English 0833 GMT 13 Dec 90

[Text] Beijing, December 13 (HKCNA)—China has decided to carry out some 250 hi-tech projects during the Eighth Five-Year Plan period in the sectors of agriculture, energy, transportation and technical installations.

A target of 200 types of foodstuffs, cotton, edible oils and vegetables will be replaced with others of higher yield and better quality which will increase the output of such products by 10 to 15 percent.

As for new technologies, giant, large and medium-scale computer systems will be put into operation, including microelectronic condensed circuits and high capacity microcomputers of up to 32k.

China will move ahead in biological research and increase its work in cytological engineering, genetic engineering and enzymological engineering to replace conventional methods used in agriculture, medical science and the chemical industry.

Advanced raw materials will be another major area focussed on, including specialized raw materials for military purposes, membranes, ceramic materials and superconducting materials.

Military

Deng, Jiang Praise Antichemical Warfare Corps

HK1312153590 Beijing RENMIN RIBAO in Chinese
7 Dec 90 p 4

["Dispatch" by Reporter Wang Jin (3749 6210): "Antichemical Warfare Corps Becomes an Important Force in National Defense"]

[Text] Beijing 6 Dec (RENMIN RIBAO)—The Chinese People's Liberation Army [PLA] Antichemical Warfare Corps has gone through an unusual 40-year journey with firm steps and become an important component part of modern combined operations. Today, some 1,000 officers and men of the Antichemical Warfare Corps gathered at the Antichemical Warfare Department General Staff Headquarters to mark the 40th anniversary of the Antichemical Warfare Corps' founding. To extend congratulations on the occasion, CPC Central Committee General Secretary, concurrently Central Military Commission Chairman Jiang Zemin wrote an inscription: "Strive to build a revolutionary, modern, and regular Antichemical Warfare Corps," while Deng Xiaoping and others also wrote inscriptions.

To build the Chinese Army into modern, regular combined forces comprising all arms of the services to meet

the need of modern warfare, the Army's first antichemical warfare academy was founded, with the approval of Chairman Mao Zedong and Premier Zhou Enlai, on 11 December 1950. Over the past 40 years, the PLA Antichemical Warfare Corps has worked hard in pioneering work, carried forward the spirit of unity and militancy, and scored pleasing accomplishments in exercises for war preparations, scientific research in equipment, academic studies, war production, and political work. It has made great contributions to guarding the motherland's frontier and supporting socialist construction. Today, China has initially formed a whole shield system characterized by the joint efforts of the Army and people and a combination of all services and arms of the services on the basis of mass protection with the antichemical warfare corps as the backbone in harmonious development, while paying equal attention to peacetime assignments and wartime operations. The Antichemical Warfare Corps has outstandingly fulfilled all tasks in several self-defense actions, nuclear tests, earthquake relief work, and rushing to deal with chemical accidents.

Major General Cheng Shouliang, the PLA General Staff Headquarters Antichemical Warfare Department political commissar, presided over the meeting today. Major General Lu Fangzheng, director of the same department, briefed on the 40-year development of the Antichemical Warfare Corps. Zhang Naigeng, former director of the department talked about Antichemical Warfare Corps feats in pioneering work. PLA Deputy Chiefs of General Staff Xu Xin, Xu Huizi, Han Huaizhi, and He Qizong attended the meeting to extend their congratulations. At the meeting, Han Huaizhi delivered a speech on behalf of the General Staff Headquarters CPC Committee. He said that the Antichemical Warfare Corps must resolutely implement the guiding idea for army building during the new historical period, as stipulated by the Central Military Commission. The corps should base itself on the present, have the future in mind, keep a close watch on the situation of international struggles, and do a good job in preparation for antichemical security in dealing with regional wars and all eventualities to meet the needs of future operations.

Chi Haotian Urges Upper Cadres To Study Marxism

*OW1412054490 Beijing XINHUA Domestic Service
in Chinese 1357 GMT 13 Dec 90*

[By reporter Hu Nianqiu (5170 1628 4428) and correspondent Zhang Dongwen (1728 2639 2429)]

[Text] Beijing, 13 Dec (XINHUA)—Chief of General Staff Chi Haotian spoke at a work meeting on strengthening the construction of grassroots party branches, which was held by the People's Liberation Army [PLA] General Staff Department today. He emphasized: Senior Army cadres should diligently study the Marxist theory on party building. They should, in particular, study the subject of upholding the party's absolute leadership over

the Army and firmly and thoroughly lay this theoretical foundation in their thinking.

Chi Haotian said: The Marxist theory on party building has substantial and diversified contents. In studying the theory on party building, senior Army cadres should keep abreast with the changes at home and abroad and, in the light of reality in party building in the Army, increase their awareness of the party's absolute leadership over the Army. He said: We should understand the relations between the party and the Army, the country and the Army, and the people and the Army in accordance with the Marxist theory on party building. We should thoroughly understand and conscientiously uphold a series of basic systems pertaining to the party's absolute leadership over the Army, and make serious efforts to summarize experience in implementing these systems. Our Army was founded and is led by the party. The history of Chinese revolution and the development of the Army have testified that the party's leadership over the Army is essential for ensuring our fundamental national interests. Without the People's Army led by the communist party, it would be impossible to seize and consolidate the political power and ensure long term political stability and order, as well as the prosperity and development of the country. In the course of protracted revolutionary war and army construction, Mao Zedong and other older-generation proletarian revolutionaries integrated the Marxist theory on party building with China's actual situation in founding a people's army led by the party and in laying down a series of basic systems to ensure the party's absolute leadership over the Army. In studying the Marxist theory on party building, it is necessary to theoretically understand the needs to establish these systems, the aspects in which the systems manifest and develop the Marxist theory, and the ways and means to uphold and perfect the systems under the new situation.

Chi Haotian said: In studying the Marxist theory on party building, senior Army cadres should persist in integrating theory with practice and knowledge with action. They should understand the basic theoretical knowledge on party building and, even more, conscientiously step up the cultivation of party spirit according to the requirements of the party building theory so as to become qualified party cadres. They should further strengthen their political conviction, and firmly foster a lofty ideal of lifelong dedication to the party's cause; they should correctly handle the relations between individuals and the organization and earnestly place themselves under the party's leadership, management, and supervision; and they should dare to uphold this principle, portray themselves according to the requirements of party spirit, and be role models of qualified communists.

In conclusion, Chi Haotian said: All in all, the purpose of studying the Marxist theory on party building lies entirely in applying the theory to successfully construct the party. In studying the Marxist theory, senior Army cadres should enhance their sense of responsibility and urgency in party building, improve their capability to

apply the theory to the work, and demonstrate the efficiency of study by improving the party building of organizations to which they are affiliated, especially the grassroots party branches. He urged leading cadres at all levels in the General Staff Department to transform their understanding of the great importance of party building into the conscientious action of doing a good job in party building; to exert themselves in helping grassroots party branches implement the basic principles and systems of party building; to creatively apply the good experience and methods of party building; and to give more scientific and effective guidance to the construction of grassroots party branches, so that the party's fine tradition and work style can be inherited and carried forward one after another generation.

Former Red Army Soldiers Living 'Happily'

OW1312120390 Beijing XINHUA in English
1059 GMT 13 Dec 90

[Text] Xian, December 13 (XINHUA)—The 5,088 former members of the Red Army who live in Shaanxi, Gansu and Ningxia Provinces live happily in the twilight of their life.

All of the former soldiers, who lived in areas that were bases of the Red Army during China's anti-Japanese war, are now provided with a monthly food allocation, a state pension, and free medical care.

On holidays, local government officials and party leaders often visit the homes or sanitariums specially built for soldiers. The old soldiers are greatly respected and there is a universal concern for their well being.

Young people also show great respect and concern and a high school student in Yanan said: "We respect them because their experiences are still a shining mirror of the Chinese revolution and the anti-Japanese war."

An investigation conducted in Yanan—the cradle of the revolutionary Chinese Communist Party—where more than one-fourth of the former soldiers live revealed that over 1,100 of them are now engaged in planting, fisheries and animal husbandry. In addition, 53 of the former soldiers are in the business investigations, teaching or medicine. Another 49 are busily writing their memoirs. There is also a voluntary afforestation team consisting of a number of former Red Army soldiers in the city of Yanan.

Li Qingyi, 71, who joined when the Red Army passed through his home village during the famous "Long March", has now presented over 60 speeches, concerning that epic event and revolutionary tradition, to schools, army units and tourists. Li said that he is quite satisfied with his life, "all I want to do now is to contribute my last energy to the future of my motherland."

An additional 4,084 elderly Red Army soldiers, who left the Army because of battle wounds or illness, are also properly provided for by the government.

Circular on Two Supports During Spring Festival

OW1312082790 Beijing XINHUA Domestic Service
in Chinese 1112 GMT 10 Dec 90

[Text] Beijing, 10 Dec (XINHUA)—The Ministry of Civil Affairs and the General Political Department of the People's Liberation Army [PLA] issued a joint circular today. The circular says: During the upcoming New Year and Spring Festival holidays, soldiers and civilians in all localities will enthusiastically promote activities in support of the Army and those which give preferential treatment to families of revolutionary soldiers and martyrs on the one hand and in support of the government and cherishing the people on the other, in an effort to cement further the solidarity between the Army and the government and between the Army and the people.

The "circular" asks that in the "two supports" drive, soldiers and civilians in all localities will concentrate on the following areas:

First, intensify propaganda and education in "two supports." All localities will launch an educational campaign to promote patriotism and support for the Army with lively and vigorous activities. They will publicize the ideas that strong national defense safeguards the whole country and the interests of the nation and that the PLA plays an important role in maintaining stability and development in the country. On the other hand, all Army units will conscientiously launch an education campaign on the nature and purpose of the People's Army. They will propagate the concept that the people are the source of strength for the modernization of national defense and firmly foster the idea that "the people are the patrons of the Army." The goal is to ensure that through education, soldiers and civilians across the country will profoundly understand that unity between the Army and the people is the foundation for victory, stability, and development.

Second, conscientiously supervise and speed up the implementation of policies and regulations. Civil affairs departments in all localities will organize their manpower to inspect the implementation of the "Regulations Governing Pensions and Preferential Treatment for Servicemen," the "Regulations Governing Placement of Retired Compulsory Servicemen," and relevant local statutes; and earnestly help solve practical problems of those entitled to preferential treatment and pensions. Meanwhile, leaders and political organs of Army units will visit local governments and residents and solicit their opinions. They will conscientiously check on Army units concerning their observation of policies, statutes, and the discipline in relations with the masses, and solve problems in a timely manner.

Third, extensively and thoroughly promote the joint military-civilian effort to develop socialist civilization. Based on their implementation of the guidelines of the national work conference on spiritual construction, Armed Forces and localities will earnestly summarize their experiences in the joint effort and draw up new

plans. Taking full advantage of the opportune time of the New Year and Spring Festival holidays, they will organize and launch various activities to promote the education of "five loves" [love the motherland, the people, labor, science, and public property]; foster a new generation which has ideals, morals and is well educated and disciplined; as well as to improve the general atmosphere of society in an effort to further advance the joint effort.

Fourth, conduct practical services in a down-to-earth manner. The two supports drive will be focused on the grass-roots level. All problems will be solved in a realistic way. All localities will encourage various trades and professions to support the Army and spare no effort to help troops solve their problems and assist those entitled to preferential treatment and pensions in settling their problems in connection with production and daily life. All Army units will extensively promote activities that serve the people.

The "circular" also sets specific requirements for joint celebrations and visits during the New Year and Spring Festival holidays.

Military Industry Produces More Civilian Goods

*OW0912201990 Beijing Domestic Service
in Mandarin 2230 GMT 7 Dec 90*

[From the "News and Press Review" program]

[Text] The shift of military industrial technology to the production of civilian goods has created an important force for China's economic construction. In the last 10 years, military industrial departments have built more than 300 production lines for manufacturing civilian goods, and are producing over 10,000 kinds of civilian goods in 43 categories.

To provide vigorous support for the development of the energy source and transport industries, to which the state attaches high priority, the military industry has developed and produced various equipment and products for civilian use, including aircraft, ships, motor vehicles, and railway carriages. The Qinshan Nuclear Power Plant, which our country designed and which will become operational next year, is primarily being built by the military industrial department.

To satisfy the demand of the domestic market, the military industrial enterprises also have produced a large number of light industry goods and electric appliances for household use. Their annual output of motorcycles of various types accounts for 60 percent of the nation's total. While shifting their technology to the production of civilian goods, the military industrial enterprises have quickened their pace of entering the international market. At present, they are exporting several hundred kinds of products and technologies to 53 countries and regions.

In addition, many military industrial enterprises are actively developing and producing equipment for key

state construction projects. During the Seventh Five-Year Plan period, they have completed more than 60 such tasks assigned by the state. Some of their achievements have filled the scientific and technological gaps at home and surpassed the world's advanced technological level.

To exhibit the achievements in shifting military industrial technology to the production of civilian goods, the 1990 fair of high-tech products for civilian use produced by military industrial enterprises will be held in Beijing on 15 December. The fair will be cosponsored by the State Planning Commission, the State Scientific and Technological Commission, the Commission of Science, Technology and Industry for National Defense, and the Ministry of Foreign Economic Relations and Trade.

Economic & Agricultural

Bo Yibo Article Urges Improving Product Quality

*OW1412094190 Beijing XINHUA in English
0928 GMT 14 Dec 90*

[Text] Beijing, December 14 (XINHUA)—Bo Yibo, vice-chairman of the Central Advisory Commission of the Chinese Communist Party, says that enhancing the concept of product quality is necessary for China's current drive of opening to the outside world.

Quality control is also important for developing the planned commodity economy and expanding world trade and technology exchanges, Bo says in an article entitled "Product Quality Is a Major Challenge Facing China's Economy".

The article, carried in the latest issue of "QIUSHI" (SEEKING TRUTH), a periodical of the CPC Central Committee, was written to greet 1991 which the Chinese Government has designated as a year for improving product quality, developing more product varieties and raising economic efficiency.

The efforts made by the government over recent years to improve the economic environment and rectify the economic order have helped China's economy out of a period of overheating, low product quality and economic efficiency, says Bo, a former senior party leader in charge of economic affairs.

Nevertheless, he says, substandard products and failure to meet the market demand for products remain the major reasons for the slack market and low economic results.

Bo says that economic losses caused by substandard products have amounted over 100 billion yuan per year for the entire country in recent years.

Bo stresses that good management is a must if the quality of products is to be improved, adding that enterprises must also introduce modern science and technology.

Efforts should also be focused on the restructuring of industries and promoting enterprises' adoption of science and technology so as to improve quality, he says.

Ni Zhifu Addresses National Trade Union Meeting

OW1212004090 Beijing XINHUA Domestic Service
in Chinese 0843 GMT 10 Dec 90

["Ni Zhifu Stresses Trade Unions Will Concentrate Their Efforts on Successfully Promoting Economic Development Next Year"—XINHUA headline; by RENMIN RIBAO reporter Zhang Guorong (1728 0948 2837) and XINHUA reporter Xu Kehong (1776 0344 3163)]

[Text] Beijing, 10 Dec (XINHUA) — Addressing the Third Session of the 11th Executive Committee of the All-China Federation of Trade Unions today, Ni Zhifu, president of the federation, said the most important task facing trade unions next year is to concentrate their efforts on successfully promoting economic development while continuing to maintain stability.

The work report delivered by Ni Zhifu on behalf of the Presidium of the All-China Federation of Trade Unions pointed out that the ideology guiding trade union's work in 1991 includes persisting in the party's basic line, continuing to carry out earnestly the guidelines of the relevant documents issued by the CPC Central Committee as well as its guiding principle of depending on the working class wholeheartedly, fulfilling various social functions of trade unions in an all-around way by making economic development their central task, maintaining overall stability, and promoting the campaign to improve the economic environment, rectify economic order, and deepen reform.

Ni Zhifu said that, through various forms of earnest study and discussion in the past year, trade union organizations at all levels gradually had reached a common understanding of a series of fundamental issues concerning the work of trade unions, namely, the necessity to implement unswervingly the guiding principle of depending on the working class wholeheartedly; give full play to the role of the organization of trade union as a bridge, tie, and prop; persist in seeking unity between the leadership of the party over trade unions and the latter's maintaining independence and keeping the initiative in their hands when they are doing their work; better represent and safeguard the specific interests of the masses of staff and workers while efforts are being made to safeguard the overall interests of all the Chinese people; give full play to the role of trade union as a democratic channel in an organized way and under proper guidance; and turn trade unions into a school for the masses of staff and workers to study communism as well as the knowledge of culture, science, and management.

Ni Zhifu pointed out that the basic knowledge mentioned above is a scientific summary of the practices and experiences of trade unions under socialist conditions

and our new achievements in amplifying the trade union ideology and theories. Based on them, all areas acquired a good deal of fresh experience, put forward some important thinking, and set up a number of systems in the actual work of trade unions this year, so that the work of trade union are being gradually standardized and systematized along the correct track.

With regard to the work of trade unions next year, Ni Zhifu called on trade unions in all areas to launch a widespread and in-depth campaign to increase production, practice economy, raise revenues, and retrench expenditures with "the year that stresses quality, assortment, variety, and economic results" as its main content; push the activities of making proposals for rationalization and encouraging innovations and inventions forward to a new phase; take active part in making decisions for the macro-economic and social policies and promoting various reform measures that affect the interests of staff and workers; and actively participate in and support the second round of undertaking economic contracts to conscientiously and realistically strengthen democratic management of staff and workers while efforts are being made to improve the contracted managerial responsibility system among enterprises.

Beijing Forum Held on Restructuring, Improvement

HK1312131190 Beijing JINGJI CANKAO in Chinese
16 Nov 90 p 1

[Report: "Carry Forward the Achievements of Economic Improvement and Rectification, Increase the Weight of Economic Reform—Summary of an Economists' Forum in Beijing"]

[Text] Editor's Note: Changes in the market are unpredictable, as is the economic situation. To help our readers form a clearer picture of the current economic situation, this paper's theoretical department invited 11 famous Beijing economists, including Xue Muqiao and Li Yining, to a forum on 9 November.

The forum focused on the following topics:

1. How to assess the effects of improvement and rectification over the past two years.
2. How to do a better job of improvement and rectification.
3. How to increase the weight of reform and to further deepen reform.

The main points of their speeches are carried in this paper today. The full text of their speeches will be carried in turn. [end editor's note]

Speech by Xue Muqiao [5641 2550 2890], Honorary Director of the State Council Development Research Center: "It Is Necessary To Change From Protecting the Backward to Observing the Law of Survival of the Fittest"

Many enterprises are currently working under capacity, with a cutback in profits and increased deficits. We are faced with two methods. One is the old way, characterized by protection, with the state taking on enterprises' difficulties by providing them with subsidies. Such a practice used to be seen as the "advantages" of socialism. Another is competition, observing the law of survival of the fittest, which was viewed as the "blindness" of capitalism. In my opinion, subsidies mean protecting the backward at the cost of economic results. Such a practice will drag us into increasingly greater difficulties and lead us into a dead end. We must do everything we can to blaze new trails and the approach must change from protecting the backward to developing competition.

Between the founding of the PRC and 1978, all economic activities were basically conducted under the state's monopoly, with competition barred, and the economy turned rigid. In the 20 years from 1957, improvement in people's living standards was at a snail's pace, with the gap between China and the West widening. Since the Third Plenary Session of the 11th CPC Central Committee, localities, especially enterprises in townships and towns, have faced the market in free competition; their development has apparently been faster than state-run enterprises under central administration. Although those state-run enterprises have the state's support in funds, materials, and equipment, they still cannot hold a candle to enterprises in townships and towns in competition. Evidently, protectionism has failed.

We must take advantage of the conditions created by improvement and rectification, grasp the favorable opportunity, and carefully but firmly take a big stride toward deepening reform. This will be a decisive step.

Speech by Ji Chongwei [1323 1504 1218], Research Fellow of Development Research Center under the State Council: "The Structure of the State's Direct Control of Enterprises Must Be Changed"

The two-year improvement and rectification has been effective in halting inflation's momentum, easing the social demand-supply contradiction, and expanding exports to bring in hard currencies. Sufficient evaluation should be made on this point. Two conspicuous points have, however, made themselves felt in the course of economic movement: First, the progress of readjustment in the industrial setup has not been satisfactory; and second, enterprises' economic results are declining. So long as those two problems exist, we cannot believe that our economy has genuinely come out of the impasse. What then is the most pressing matter of the moment? A common understanding in economics circles is: Reform must be deepened.

As to how to deepen reform, opinions vary. To my mind, we must start from deepening enterprise reform and the pressing matter of the moment is to increase the weight of enterprise reform. Work involved in this aspect is manifold and the key is separation of government and enterprise, so that the latter may become an independent main body of economic interest. For example, in completing and perfecting the contracted responsibility system, both the contractor and the contracting party must have strict commitment. Currently, the commitment of the contracting party is insignificant, with no responsibility to speak of. The contracting party is a player as well as the umpire; that can be very unfair.

Meanwhile, it is necessary to expand the stock system, including the number of cities and enterprises undergoing experiments in the system, complete, perfect and increase the number of stock markets, and accelerate legislation for the stock system.

Speech by Yang Peixin [2799 1014 2450], Research Fellow From the State Council Development Research Center: "Reform Investment Structure To Guarantee Stimulating [gi dong 0796 0520] Investment"

To overcome a weak market, we have initiated three measures to stimulate the market: Stimulating loans, stimulating procurement, and stimulating investment, which is the ultimate and the most effective. The simultaneous increase in demand for investment and consumption is possible only by stimulating investment. If we solely depend, however, on national bank loans and the state's investment as stimulation, the possibility is great for our returning to the old path of inflation and ending up with stagflation.

This being the case, I propose the need to conduct reform of the investment structure, to prevent us returning to the old path whereby the state monopolized construction, while mobilizing enterprises, localities, collectives, and the masses to make investments and stimulate the market through joint efforts. Such a method of investment does not require an increase in financial allotment, nor does it involve an increase in bank loans.

A pattern of pluralism in the subjective body of investment has taken shape since reform. A realistic choice is to decentralize construction tasks to localities, enterprises, collectives and the masses, so that they can become the subject in expanded reproduction and social infrastructural projects, while the state finance and banks conduct regulation using their funds under the policy guidance of the Commission for Planning.

It follows that reform of the investment structure should become the key in the present economic restructuring, while completing and perfecting the contracted responsibility system and contracted responsibility using local finance to augment their capabilities for self-accumulation and self-investment. Reforming the investment structure will guarantee stimulating investment, while guarding against a repetition of inflation.

Speech by Dai Yuanchen [2071 0954 2525], Research Fellow From China Academy of Social Sciences: "It Is Needless to Stimulate Demand; Reform Should Be Boldly Pushed Forward"

A "weak market" is a rare occurrence in socialist countries, characterized by "an economy of short supply," and unprecedented in the over 40 years history of the PRC. A "weak market" is usually regarded as a derogatory term. The abundant consumer goods in the market and such a powerful buyers' position are, however, unprecedented. Nevertheless, the basic factors leading to short supply remain. Attention should be paid to a market rebound with a return of short supply.

Presently, the consumers expect stable prices and are in no hurry to go shopping. There was a slide in savings deposits two years ago and people withdrew their savings for panic buying. Savings deposits are now steady, even though interest rates have been lowered several times. Such a change is an expression of people's confidence in the renminbi. Should we act in a diametrically opposite way and try everything to drive savings deposits away in an attempt to stimulate consumers to go shopping in a hurry, that would be very unwise. To ruin the consumer's confidence which has just taken shape at this particular moment, to stimulate irrational forecasts leading to the releasing of money, would end in a shock of equal magnitude and the possible rebound of the market.

A relaxed climate with supply slightly exceeding demand is the best situation reformers can ever dream of and a "weak market" shows that such a climate has already taken shape. In my opinion, the two-year improvement and rectification have created conditions for deepening reform. We should lose no time in increasing the weight of reform and seek stability in reform and progress in stability.

Speech by Wang Zhiye [3769 4930 2914], Director of the State Commission for Planning Economics Research Institute: "Treatment of Inflation Should Be Linked To Resolving Financial Difficulties"

The first-phase improvement and rectification with the chief goal of stabilizing prices and the economic situation has been basically completed. The contradiction at a deeper level which will lead, however, to an imbalance of the general volume has not been basically eliminated. This being the case, it is necessary to find a way out: in deepening reform, while linking the treatment of inflation to resolving financial difficulties.

Reforming irrational prices and readjusting the distribution pattern of national income are prerequisites for pushing forward readjustment of the industrial setup as well as the key to solving the major difficulty in the contradiction at the deeper level. To push forward price reform during the period of improvement and rectification, a principle should be adopted by which planned price readjustment should be linked to lifting price restrictions on some items. Under the set goal of curing

inflation, the greater proportion of items will be those whose price restrictions have been lifted and items with spontaneous price raises; the smaller proportion will be subject to planned price regulation, hence, smaller leeway for price readjustment. This being the case, in pushing forward price reform, it is imperative to be very cautious in making overall arrangements; we must refrain from assessing reform's progress simply based on the extent of lifting restrictions on prices. At the same time, to push forward readjustment in the industrial setup, it is necessary to readjust the distribution pattern in the national income, with the focus on readjusting the primary distribution pattern in the national income.

To do a good job in handling the relationship between growth and structure is vitally important to continuing to do a good job of improvement and rectification. The entire economy will not get into a stalemate of low rate growth if building of the base industries is augmented with the focus on pushing forward the reorganization and reform of the processing industry in readjusting the industrial setup.

Speech by Wan Dianwu [8001 0368 2976], Vice President of the Society for Research in Commercial Economics: "Exploring the Deep-Lying Causes of a Stubborn, Weak Market"

Voluminous facts from the two-year improvement and rectification have shown the correctness of the principle of curing inflation using powerful measures. The great results are characterized by stable prices, a brisk market, and ease of mind.

Regarding the current weak market, we should not blame it on the excesses of the double-austerity principle but see the incompatibilities in many aspects in the existing structure. These account for the failure to rapidly get rid of the weak market and achieve prosperity. We can only explore the deep-lying causes of a stubborn and weak market and adopt timely and necessary reformative measures to push forward reform.

Economic restructuring is comprehensive and systematic. I would like to stress two points here: First, the appropriate expansion in the experiment of enterprises' joint-stock system. People with surplus money should be allowed to buy stocks while idle funds will be used in production development so that a steady way out may be found for some 200 billion yuan in cash in people's hands and some 700 billion yuan in savings deposits. And second, the need to further readjust the ownership structure and allow development of some private enterprises. A large number of individual households have made a fortune and allowing these households to develop into private enterprises is favorable to society and the state. They will help in expanding employment, increasing tax revenues, protecting consumer's interest, participating in city building, and developing commercial networks, while gradually nurturing new factory and shop owners who are capable of management and operation as well as new technical workers and skillful clerks.

Speech by Zhang Zhuoyuan [1728 0587 0337], Director of the Chinese Academy of Social Sciences Institute of Finance, Trade, and Commodity Economics: "In Reform, the Market Orientation Must Be Adhered to"

There has been no controversy on deepening reform. Opinions vary, however, as to how it should be conducted. Some comrades believe the return to past planned control is also reform. When talking about replacing the two-track with the mono-track price system, they hope that 80 percent and more commodities should go on the planned-price track. This being the case, the orientation must be made explicit when referring to reform. I am for reform adhering to the market orientation. For example, in replacing the two-track price system of production materials, the bulk of these should go on the market track. Price readjustment is conducted only to prepare conditions for lifting price restrictions. Under the condition of macroscopic imbalance, price readjustment would inevitably end in rotational price rises. Of course, I am not for lifting restriction on the prices of all products. The state should control a minority of them, while restrictions on the majority must be lifted.

Price reform should be conducted in several steps. Should restriction of all prices be lifted, it would involve too much shock and risk. Attention should be paid to grasping the right time for price reform. Now is the time, only it is already a bit late; but we have not yet lost the opportunity. We should not inject huge sums of funds to find a solution to a weak market, nor should we drastically increase input in credits, because that would give rise to another round of inflation. General volume balance is the primary condition for price reform and it follows that the principle of adhering to improvement and rectification with appropriate austerity must be continued. The conditions for reform would be lost if there is a repetition of doing things fast and in a big way.

Speech by Chen Jiyuan [7115 0679 0337], Director of the Chinese Academy of Social Sciences Institute of Rural Development: "Correctly Assessing the Agricultural Situation, Continuing to Deepen Rural Reform"

In the wake of a stalemate for four or five years running, China's production of major farm produce began to turn for the better in 1989. First, there was a breakthrough in the stalemate in grain output. Grain output has increased by a wide margin this year, along with an all-around bumper harvest in cotton and edible oil. We should by no means indulge ourselves, however, in blind optimism in China's agricultural situation. In 1989, grain output increased by 240,000 tons over 1984 but the 1989 per capita volume of grain possessed was 51 kg lower than 1984 because of population increase. It is estimated that the grain output this year will be 420 million tons but the per capita volume is still 43 kg lower than 1984. In observing the agricultural situation, it is necessary to base on the production conditions for such major farm produce as grain, cotton, and edible oil, and especially

that of grain production. Viewing the aforesaid conditions, China's agricultural situation can be rather severe.

Adhering to, and deepening rural reform remains the key to guaranteeing China's continuous future agricultural development. The focus of reform from now on should be on: Stabilizing, completing, and perfecting the system of contracted household responsibility related to output; developing the economic form characterized by the coexistence of diversified ownership; continuing to deepen the reform of farm produce price and circulation structures; and gradually realizing the transfer of rural surplus labor force and upgrading the level of urbanization.

Speech by Wei Jie [7614 2638], Vice President of the People's University of China Economics Research Center: "Stimulating the Market Through Whole-Ranging Reform"

True, the failure to stimulate the market into working is attributed to insufficient demand, but a deep-lying cause is the structure. The sole reliance on stimulating demand without a solution to the structural problem will not entirely resolve a weak market; on the contrary, it will only increase the pressure of inflation and expansion in general demand. This being the case, we cannot resort to increasing money input as a measure to stimulate demand and the market, but should do so through deepening structural reform.

I believe the orientation of deepening structural reform is to implement whole-ranging reform characterized by linking planning to the market, namely, unfolding comprehensive structural reform by centering around the combination of planning and the market. The main contents are: 1) Selecting a correct way to link planning to the market. There are two ways for such combination: One is introducing the market on the basis of planning; the other is to introduce planning on the basis of the market. The former is undesirable and we should choose the latter. Under the condition of too rigid control of planning, the latter mainly finds expression in the mode of marketing, namely, it will take shape through marketing and promote the pattern by which planning is linked to the market; therefore, the orientation of reform in marketing is unanimous with the combination of planning and the market. 2) Building structural foundations for linking planning to the market. Viewing the actual conditions, such foundations includes a perfect enterprise structure, a healthy market structure, and an effective macroscopic structure. And 3) Exploring the method and process of combination of planning and the market in different departments and arenas.

Speech by Fan Gang [2868 4854], Doctor of Economics at the Chinese Academy of Social Sciences: "Stimulating Demand Merely Alleviates the Symptoms; Deepening Reform Effects a Permanent Cure"

Currently, we should refrain from increasing loans for circulating funds to "stimulate" the market through some middle links, but should appropriate increased

investment credits to basic departments to "pull" the market, proceeding from expanding the demands of final goods. This way will fully utilize the production capacity of the invested production departments turning out the goods, while readjusting the economic structure through increased volume. In improvement and rectification, some mandatory direct control is indispensable but, from a long-term view, expanding direct control is not the way out. The crucial point which accounts for the unsatisfactory results of guiding planning or indirect control and the consequent economic confusion was precisely the lack of a complete and perfect market mechanism. It was not simply because of failure in ironing out the price relations, nor was it because "the regulated" were not really the market's subject body. This being the case, if we are in earnest to do a good job of properly handling the relationship between planning and the market, deepening reform is the only way. The market must, first and foremost, help in the market's further development. In the course of development, price reform and reform of state-run enterprises are equally important. Under the restrictions of various interest relations, it would be rather difficult, however, for a breakthrough in the reform of both aspects. Under such conditions, we may take into consideration readjusting the ownership structure as the new starting point of deepening reform: Under the prerequisite of doing a good job of managing and utilizing state-owned properties, adhering to the principle of socialist economy with public ownership as the main body, we should allow greater development of the nongovernment economy in various forms. This does not require the state to pay out, nor to "make profit concessions" but will increase financial and tax revenues to alleviate the state's burden, while creating some favorable conditions for further reform of the state-run economy.

Overdistribution of National Income Viewed

HK1412082190 Beijing RENMIN RIBAO in Chinese
5 Dec 90 p 5

[Article by Zhong Chengxun (6988 2052 8113): "Concerning the Question of Overdistribution of National Revenue"]

[Text] That the amount of distribution exceeds the allowances of the national income year after year, is a matter of great influence which emerged in the economic life of our country in the late 1980's. The CPC Central Committee's "Resolution on Further Improving the Economic Environment, Rectifying the Economy Order, and Deepening Reforms" points out: "In the final analysis, the difficulties and problems in the national economy are triggered by the fact that total social demand has surpassed total social supply and the amount of distribution has exceeded the allowances of the the national income for many years." On the question of "the amount of distribution exceeding the allowances of the national economy," it is necessary to make an analysis and some explanation.

1. The question is whether the amount of distribution exceeding the allowances of the national income is possible.

Some comrades deny the possibility of the amount of distribution exceeding the allowances of the national income and contend that the distribution of national income is like cutting up a meat pie. Since the size of the pie is fixed, we cannot make it bigger no matter how we cut it up. How can there be the question of "the amount of distribution exceeding the allowances of the national income?"

This argument views the distribution of national income exclusively as a direct distribution of the quantity of goods produced. In fact, national income is an economic category which has dual character. On the one hand, it has the character of use value and finds expression in the form of physical goods, namely products of various kinds and the quantity of labor service contributed, and on the other hand, it has the character of value and finds expression in the form of money. In our country, national income is directly distributed in the form of money rather than physical goods. In fact, it is impossible to directly distribute and redistribute the huge national income among hundreds of millions of citizens, and numerous enterprises and institutions in the form of physical goods.

Now that the distribution and redistribution of national income are done in the form of money, objectively, there is the following question: Does the quantity of money supply truly and accurately reflect the quantity of goods produced? As we know, although national income assumes two forms, the form of money is still a reflection of the form of physical goods. In the final analysis, the form of physical goods is primary and that of money secondary. The latter should be subordinated to the former. Nevertheless, the form of money can be separated from the form of physical goods. It has a comparatively independent character and its own pattern of independent movement and development, and in turn, plays a powerful role and has a great impact on the form of physical goods. When the quantity of money, which is used in national income distribution, truly and accurately reflects the quantity of goods produced, a balance will be achieved between the two and this will help promote and guarantee the stable and sound development of the macroeconomy; when the quantity of money, which is used in national income distribution, is smaller than the corresponding quantity of goods produced, the macroeconomy cannot be developed fully and in a serious case, the economy may even contract to a certain extent; and when the quantity of money, which is used in national income in distribution, is larger than the quantity of goods produced, the macroeconomy will surely develop in an unstable and uncoordinated way and even undergo twists and turns. The economic difficulties facing our country in 1988, which were caused by the accumulated problems existing in the previous years, in particular, the acute problem of total social demand

seriously surpassing total social supply, were the inevitable outcome of the quantity of money, which was used in national income distribution, being larger than (or exceeding) the corresponding quantity of goods produced year after year.

It can thus be seen that the so-called overdistribution of national income, simply refers, in theory, to the fact that in the course of distribution and redistribution of the national income, the end amount of national income put to use (the quantity of money) exceeds the real amount of national income produced (the quantity of goods produced). To put it briefly, this means that the total quantity of money, which is used in national income distribution, exceeds the corresponding total quantity of goods produced.

Another key to correctly understanding the question of "the amount of distribution exceeding the allowances of the national income" is that the production and distribution of national income are two courses progressing almost simultaneously rather than separately with one following the other. This is another important characteristic of national income distribution, which obviously distinguishes the different characters of national income distribution and the so-called "cut-up-a-meat-pie" mode of distribution. The characteristic of the "pie-cutting" mode of distribution is that there must be a whole meat pie before it is cut up (distributed) or a meat pie must be turned out before it is distributed. Production and distribution are two different courses, with one following the other. The two are separated and do not go side by side and simultaneously. The distribution of national income is another case. It is impossible for a country or society to distribute the national income, which is produced in a certain year, in the following year. The reason is very simple. The people of any country cannot stop consuming (including people's consumption and production consumption) for a year; they would perish. This being the case, on no account do the production and distribution of national income progress in the way of one following the other. National income is distributed and used while it is produced in the same year. Overall, national income is produced, distributed, and used almost simultaneously.

As the production and distribution of national income are carried out simultaneously, in a country where socialist public ownership plays a predominant role and which combines planned economy with regulation by market mechanisms, and since we work out a national income distribution plan at the beginning of a year, it is generally impossible for us to accurately know the total amount of national income produced at the end of the year and we have to make a rough calculation; therefore, too high or low calculations in this regard are a common occurrence while precise calculations are an accidental exception. Similarly, when drawing up a social production plan at the beginning of a year, we have to make a rough calculation the real amount of national income needed for distribution and use throughout the year in

question. Therefore, that the production and distribution of national income are not quantitatively identical is entirely possible. This provides the "overdistribution" of national income with another objective possibility. Of course, there are also institutional causes for the "overdistribution" occurring year after year, which are omitted here.

2. The question of how the amount of distribution exceeding the allowances of the national economy is realized

Some people do not find it easy to understand that "the amount of distribution exceeds the allowances of the national income." Their main question is that now that there is the question of overdistribution in the national income, how is it realized.

As we have mentioned above, national income distribution refers to the amount of national income distribution results put to use (the quantity of money) exceeding the real amount of national income produced (the quantity of goods produced). For example, the amount of national income produced is 10 billion yuan in value but it is distributed on a basis of 12 billion yuan and as a result, the excessive amount of distribution is 2 billion yuan. What is at issue now is how this 2 billion yuan margin is actually realized, or whether it can be realized. In other words, can it be used to buy anything (means of subsistence, means of production, and labor service) and if so, how?

Theoretically, for the 2 billion yuan margin of excessive distribution to be realized (buy things), there are only three possible ways: One is relying on past gains or putting to use commodities accumulated in the past and materials reserve; using foreign exchange surpluses and foreign exchange reserve to expand imports; increasing material supplies worth 2 billion yuan to make up for and balance the margin of "excessive distribution." Under these circumstances, price hikes and economic fluctuations are unlikely. The other is relying on internal and external debts to make up for the balance for the time being. Debts, however, must be repaid. Money borrowing is in fact using the future national income to meet the pressing needs or shifting the current balance and difficulties to the coming years. The third way is that if the abovementioned two methods can no longer be used, the only way out is to make arrangements for financial deficit and increasing the issuance of currency. This may help to increase the amount of money in circulation by 2 billion yuan and thus balance the margin of excessive national income distribution. As a result, it will inevitably lead to inflation, and the amount of national income produced (the quantity of goods produced) will correspondingly increase by 2 billion yuan in price so as to offset the expansion of demand (the quantity of money).

Here one thing needs our attention, that is, the remedial methods for the amount of distribution exceeding the allowances of the national income in a year and the

amount of distribution exceeding the allowances of the national income in successive years; their resulting consequences are very different. Generally speaking, the accidental national income overdistribution in one year or two is not a big problem since we can tide over the difficulty by putting to use materials and foreign exchange reserves or by borrowing some money at home and abroad. The overdistribution of national income that lasts for successive years is, however, a serious problem. If the past gains are eaten up and the debt repayment dates are approaching, the only route out to take is "to issue more currency." Therefore, two theoretical judgments can be entirely drawn up: 1) Inflation is the inevitable companion and outcome of the amount of distribution exceeding the allowances of the national income in successive years. 2) The amount of distribution exceeding the allowances of the national income can be realized through such ways as issuing currency by supraeconomic means.

It can thus be seen that to maintain a stable and healthy development of the macroeconomy and avoid relatively serious inflation and total social demand considerably exceeding total social supply, the correct theory on national income distribution must be a theory asserting that production ultimately decides distribution and the amount of national income produced (the quantity of goods produced) ultimately restricts the amount of national income put to use (the quantity of money), rather than a theory advocating "using inflation and deficit-laden finance to stimulate economic growth;" the correct principle on national income distribution must be a principle maintaining that distribution must both be subjugated to, and serve production rather than a theory arguing that production is subjugated to distribution and the quantity of goods produced in the national income is subjugated to the quantity of money (the amount of distribution put to use); and the correct way and line of thinking must be that when working out a distribution policy, a distribution plan, and measures to reform the distribution system, it is necessary to fully respect the objective economic law under which production ultimately decides and restricts distribution; and strive to maintain a balance between the amount of distribution of national income put to use and the amount of national income produced and between the quantity of money and that of goods produced. Its better to let the amount of distribution put to use (the quantity of money) be slightly smaller than the amount of national income produced (the quantity of goods produced) than to let it be excessively bigger than the amount of national income produced (the quantity of goods produced), because if the amount of national income put to use is smaller than the amount of national income produced, it will do just to increase the former to some extent. That can be fairly easily arranged in our country. If the former exceeds the latter, then things cannot, however, be so easily handled.

Rules Issued for Implementing Foreign Enterprises

OW1412054290 Beijing XINHUA Domestic Service
in Chinese 1028 GMT 13 Dec 90

[Text] Beijing, 13 Dec (XINHUA)—Minister Zheng Tuobin signed the No. 1 Order of the Ministry of Foreign Economic Relations and Trade on 12 December to issue the "Rules for the Implementation of the PRC Law Concerning Foreign Funded Enterprises."

The "Rules for the Implementation of the PRC Law Concerning Foreign Funded Enterprises," approved by the State Council on 28 October 1990, have become effective on the day of issuance by the Ministry. The "rules" represents a major statute governing the use of direct foreign investment in China, and it consists of 13 chapters in 88 articles.

According to the stipulations in the general principles of the "rules," foreign funded enterprises should be supervised and protected by the Chinese laws. In conducting operations in China, foreign enterprises must abide by its laws and statutes, and must not damage the public interests of Chinese society. Foreign enterprises must be conducive to the development of Chinese economy and able to produce marked economic efficiency, and they must meet at least one of the following conditions: First, that they use advanced technology and equipment, engage in the development of new products, conserve energy and raw and semi-finished materials, constantly upgrade products, and are able to substitute for imports; and second, that the value of their annual exports exceeds 50 percent of their gross output value of the same year for balancing or earning surplus in foreign exchange.

The general principles of the "rules" also stipulate that foreign businessmen are prohibited to set up enterprises in the following trade: 1) Newspapers, publications, radio, television, and cinema; 2) domestic commerce, foreign trade, and insurance; 3) postal and telecommunications services; and 4) other trades prohibited by the Chinese Government regulations. The establishment of foreign funded enterprises is restricted in the trades of public utilities, communications and transportation, real estate, trusts and investment, and leasing.

Applications for setting up a foreign funded enterprise will be rejected should it involve one of the following: 1) Damaging China's sovereignty or public interests of Chinese society; 2) endangering China's national security; 3) violating Chinese laws and statutes; 4) failing to meet the needs of the Chinese economic development; and 5) having the possibility of polluting the environment. Foreign funded enterprises are managed independently by themselves and free of interference within the approved scope of management.

Ministry Official Notes Light Industry Progress*OW1412114490 Beijing XINHUA in English
1046 GMT 14 Dec 90*

[Text] Beijing, December 14 (XINHUA)—China's light industry grew at an annual rate of 9.8 percent during the Seventh Five-Year Plan Period (1986-1990), according to an official from the Ministry of Light Industry today.

The official said that China's light industry includes 44 sectors, and it is estimated that the total output value will reach 231.5 billion yuan this year, up 59 percent over 1985. China has created 229.4 billion yuan in taxes and profits during this period.

It is learned that a number of new light industries have developed since China started its reform policy, especially during the Seventh Five-Year Plan period. For example, the household appliances industry, which began developing in the early 1980s, can now turn out more than 150 kinds of products, an increase of 50 percent over 1985. In addition, the output value has increased five times.

Plastics, paper making, packaging, cosmetics, sensitive materials and other industries also made great strides during this period.

The official said that China's light industry developed an average of 9,000 kinds of new products each year from 1986 to 1990.

He noted that there has been a big increase in the production of some goods closely related to people's daily lives. The average annual increase in the output of of sugar is 4.1 percent, salt 6.2 percent, and beer 16.5 percent. Now China's output of sea salt, refrigerators, washing machines, bicycles and a dozen other products leads the world.

During the Seventh Five-Year Plan period exported light industrial products earned 39.2 billion U.S. dollars altogether, increasing by 21 percent annually.

Equipment for light industry has improved markedly during the past five years. Now China can produce more than 4,000 kinds of equipment for light industry, some of which have been exported.

Shaanxi Airport Called 'Key Project' in 7th Plan*HK0812073590 Xian Shaanxi Provincial Service
in Mandarin 0030 GMT 6 Dec 90*

[Text] The CPPCC [Chinese People's Political Consultative Conference] National Committee vice chairman, Comrade Ma Wenrui, and provincial party committee Secretary Comrade Zhang Boxing recently inspected Shaanxi's Xianyang Airport, which is a key project listed in the state Seventh Five-Year Plan.

As early as 1984, to invigorate Shaanxi's economy and expedite the development of the tourism industry, Comrade Ma Wenrui, who was then first secretary of the

provincial party committee, wrote a letter to Central Military Commission Chairman Comrade Deng Xiaoping in which he submitted a report proposing the construction of Xianyang Airport in Shaanxi. With the approval of Comrade Deng Xiaoping, the State Council and the Central Military Commission decided to start the construction of Xianyang Airport, which was designated by the state as a Grade I airport. The project was also listed as a key project in the state Seventh Five-Year Plan.

After three years of rapid construction, the airport has now entered its installation stage and is expected to meet the requirements for trial operation by the end of this year and officially go into operation by the end of the second quarter of next year.

Accompanied by Zhang Boxing, Ma Wenrui inspected the airport runway, control tower, and other key projects. Ma Wenrui repeatedly stressed the necessity of building all the key projects well and guaranteeing their quality. He also expressed the hope that the airport construction will proceed more rapidly so the airport will become operational at an earlier date.

Leading comrades of the Xianyang City Party Committee and the CAAC [General Administration of Civil Aviation of China] Northwest Management Bureau accompanied Comrade Ma Wenrui and Comrade Zhang Boxing during their inspection of the construction sites of all the key projects at the Xianyang Airport.

Paper-Making Industry Sets 8th Plan Targets*HK1012035890 Beijing CHINA DAILY (BUSINESS
WEEKLY) in English 10 Dec 90*

[By staff reporter An Weihong]

[Text] China's paper-making industry is set to reduce its annual growth rate by almost 3 percent over the Eighth Five-Year Plan period (1991-95) and to change its strategy in order to upgrade its products, according to a draft plan.

It is to cut annual growth rate to a modest 4.5 percent from the 7.3 percent recorded during the Seventh Five-Year Plan period (1986-90).

The draft plan, which is currently under discussion, states, "The industry will pursue continuous and stable progress during the Eighth Five-Year Plan period."

In this way, it says, the industry will keep in line with the overall economic climate which stresses the need for the deepening of economic reforms rather than expansion at present.

Huang Qinan, a senior economist at the Ministry of Light Industry which is drafting the plan, said, "In the on-going Five-Year Plan period which is about to end, we have mostly tried to increase the supply. Over the next five years, we will concentrate on upgrading the quality and varieties of supplies."

In pursuit of that goal, the industry has decided for the first time to tap foreign timber resources and other raw materials in order to produce high-quality paper.

In addition to increasing the number of timber farms in China, Huang said, the industry was considering importing foreign timber, wood pulp and waste paper.

That reflected a fundamental change from the industry's previous policy which gave equal emphasis to using both straw and timber as raw materials, he said.

Unlike many developed countries where timber is the major raw material used in paper making, China used to take fibre from non-wood plants such as straw and bamboo to make paper. Such non-wood fibre accounted for 80 percent of the raw materials used by China's paper industry.

According to the draft plan, Huang said, the proportion of wood pulp used would be greatly increased from 150,000 tons a year at present to as much as 400,000 tons by 1995.

"It is vital that we increase the proportion of wood pulp as quickly as possible," he said, noting that the lack of this raw material had led to a widening of the gap between the supply of, and the demand, for high-quality products.

The output of commercial paper pulp was expected to go up from 250,000 tons at present to a projected 700,000 tons by 1995, he said.

"We believe that using foreign financial and material resources will be a quick and effective way of upgrading our industry, so we will make it our future policy," Huang noted.

The industry's capital investment during the Eight Five-Year Plan would go mainly towards the establishment of production bases for raw materials and commercial pulp and towards pollution-control projects.

Investment to introduce new technology would be designed to increase the production of newsprint, books, packaging paper and toilet paper, and to reinforce the industry's export capacity.

Output of newsprint would be raised from 500,000 tons to 700,000 tons and that of paperboard for packaging would go up from 4.8 million tons to 5.9 million tons by 1995, Huang said.

According to the plan, estimated output of paper and paper cardboard by the end of 1995 will be 16 million tons as against the estimated output of 13 million for this year.

And annual per capita paper consumption will be raised from the present 11.5 kilograms to 14.6 kilograms in 1995 and 17.2 kilograms by the year 2000.

Chemical Fertilizer Industry Establishes 8th Plan

HK1012042890 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 10 Dec 90 p 2

[By staff reporter Zhang Yuan]

[Text] China's chemical fertilizer industry is to boost production of nitrogenous fertilizer in the coming Eighth Five-Year Plan period (1991-95) to support the country's agricultural growth plan.

Output of phosphate and potash fertilizers, which are essential for raising grain yields but have been in short supply for many years, will also be increased, according to a report by the ministry of Chemical Industry.

At the same time, the report said, the industry would update its fertilizer manufacturing plants in order to increase production.

China was now the third largest chemical fertilizer producer in the world after the United States and the Soviet Union, and this year the industry was expected to turn out 90 million tons of fertilizers which could meet more than 80 percent of China's agricultural needs.

But although 18 of the country's fertilizer plants were large and fully equipped with modern imported equipment and technology, the report said, the rest of the country's 1,700 fertilizer plants were small and medium-sized ones which were still using outdated technology and equipment.

According to the country's forthcoming Five-Year Plan, the chemical fertilizer industry should increase its annual production capacity to 120 million tons by 1995 and 150 million tons by the year 2000.

To meet these targets, the report said, the industry would build more large fertilizer plants in the coming five years.

At the same time, it said, great efforts would be made to tap the potential of existing fertilizer manufacturing plants of all sizes.

This was where further foreign cooperation could come in, the report said.

With the help of World Bank loans, the industry had already completed technical innovation projects in four medium-sized chemical fertilizer plants in the provinces of Yunnan, Hebei, Liaoning and Sichuan.

The most successful was the fertilizer facility innovation project at the Luzhou Natural Gas Chemical Company in Sichuan, the report said.

Thanks to technical help from British H&G Engineering Ltd, it said, the plant's daily output had grown by 50 percent to 450 metric tons of synthetic ammonia while energy consumption had been reduced by 25 percent.

The report also said that the country's chemical fertilizer industry had made great advances during the Seventh Five-Year Plan period (1986-90)

It had produced 90 million tons of chemical fertilizer this year, a 34-percent increase over the 64 million tons produced in 1985, the final year of the Sixth Five-Year Plan period (1981-85)

The State had allocated a total of 6.5 billion yuan (\$1.25 billion) towards the development of the chemical fertilizer industry in the past few years, the report said.

Wang Zhen Commends County's Gold Production

HK1312014190 Beijing RENMIN RIBAO in Chinese
7 Dec 90 p 1

[Report by Leng Haiqiang (0397 3189 1730), Wen Liping (3306 4539 1627), and Feng Shugui (7458 2579 6311): "Shandong's Zhaoyuan County This Year Ranks First in Gold Production in the Whole Country; Wang Zhen and Others Send Greetings"]

[Text] Zhaoyuan County of Shandong, long reputed to be the "heavenly city of gold," has scored another victory in gold production, completing in excess and 45 days ahead of schedule the input-output contract mission for the length of the last three years of the Seventh Five-Year Plan which it had signed with the China Gold Company, with its annual gold production ranking first among the gold-producing counties of the whole country. Upon hearing the news, State Vice President Wang Zhen wrote a special letter of greeting to the county commending its gold mines for its "achievements in geological surveys, scientific research, and determining the right mines for exploitation, which are the practical results of resolutely implementing and enforcing the line, direction, and policy of constructing socialism with Chinese characteristics."

On 5 December, the Ministry of Metallurgical Industry, the Ministry of Geology and Mineral Resources, and the state China Gold Company held a victory meeting in Zhaoyuan County, Shandong. State Councillor Li Guixian said in his greeting that the progress of Zhaoyuan County's gold production onto a new level "has made important contributions to our development of our country's gold production." People's Liberation Army Chief of General Staff Chi Haotian, Deputy Secretary General of the State Council General Office Liu Zhongli, and others also wrote or cabled greetings.

Zhaoyuan County has been blessed with extraordinarily rich gold resources. The county has formulated specific policies and scientific outlines on the county's development of gold production based on its practical conditions and has built a foundation for the county's gold production of clear policies, scientific outlines, rational distribution patterns, and a strict legal system which highlights key aspects.

Coal Corporation Fulfills 1990 Target Early

OW1312231690 Beijing XINHUA in English
1318 GMT 13 Dec 90

["Roundup: China Expects Increased Coal Output This Year"—XINHUA headline]

[Text] Beijing, December 13 (XINHUA)—The China National Coal Corporation has produced more than 450 million tons of raw coal in the first 11 months this year, fulfilling this year's production target one month ahead of schedule.

Experts from the Ministry of Energy Resources report that total coal output from the China National Coal Corporation and local mines is expected to reach 1.07 billion tons by the end of the year. This will represent production in excess of the state target of 1.06 billion tons.

China's coal industry is classified in two ways according to the management system used: state controlled coal mines under the China National Coal Corporation and local coal mines.

The country's coal output exceeded one billion tons for the first time last year, making it one of the biggest coal producers in the world.

China abounds with coal resources which are estimated to be four trillion tons, and the country's proven reserves in 1988 were 850 billion tons.

Since 1981, China's coal industry has used loans from the World Bank, Japan and other countries and organizations to construct a large number of coal mines, including the Xiqu coal mine in Shanxi Province which has a capacity of three million tons, and the Qianjiayin coal mine in Hebei Province with a capacity of four million tons.

The Antaibo open pit coal mine, which has a capacity of 15 million tons, was jointly developed and constructed by Chinese and American companies. The mine is not only the country's most modern, but is also the largest Sino-foreign joint venture in China.

To date, China's coal industry has absorbed over 2.45 billion U.S. dollars in foreign loans and investment.

China now has 17 large-scale coal enterprises with a capacity of over 10 million tons each, while the degree of mining mechanization in the country's state controlled coal mines has reached 90 percent.

Since 1985, China has continuously increased its coal exports along with the growth in coal production.

The China National Coal Import and Export Corporation reports that it has exported over 16 million tons of coal to more than 30 countries in the first 11 months this year, thus meeting this year's export target one month ahead of schedule.

Further Commentary on Agricultural Development

HK1412072790 Beijing RENMIN RIBAO in Chinese
7 Dec 90 p 1

[Commentator's article: "Broaden the Way of Tapping the Potential of Surplus Rural Labor—Fifth Commentary on Striving for Sustained and Stable Agricultural Development"]

[Text] With the rapid development of rural economy and the entire national economy since reform and opening up, rural labor employment has undergone a great change. According to incomplete statistics, during the 10 years of rural reform, tens of millions of peasants left their farmland and shifted to the secondary and tertiary industries. Their number exceeded the total sum for the preceding 30 years. This shift of surplus rural labor has brought about a change in the structure of rural industries and a growth in agricultural productivity. At the same time as adding to the total amount of social wealth, it has also increased peasants' income, exploited more fund sources, and speeded up the transformation of our country's agriculture from a traditional agriculture to a modern one.

Due to various reasons, however, our rural areas are still faced with great employment pressure. It is estimated that there are currently about 130 million surplus rural laborers throughout the nation's rural areas and over 10 million more will be added annually in the future. It is a pressing and arduous task for us to open all avenues for employment and gradually resolve the issue of surplus rural labor employment, an issue which not only has a bearing on the growth and decline of social stability and our economy, but also exerts a direct impact on sustained and stable agricultural development. Leaders and relevant departments at all levels should have a sober understanding of and take full account of this major issue and devote great efforts to grasping it well.

Proceeding from the country's concrete national conditions, we may as well give consideration to resolving the rural employment issue from the following three aspects:

First, we should continue to do a good job in agricultural exploitation. In the past, we invited peasants to work in cities when cities were short of hands; but sent them back when they were no longer needed. In future, we should do our best to avoid adopting this simple method at the cost of infringing upon the interests of rural areas and peasants. We should also devote major efforts to build "cisterns" to increase the capacity of rural labor force. As for agriculture itself, on the one hand we should: Do a good job in exploiting existing farmland to a deeper level; carry out reform of the cultivation system; strengthen intensive management; devote great efforts in intensive and meticulous farming; and promote courtyard and three-dimensional agriculture to gain more material products on our valuable farmland with more living labor. On the other hand, we should: Extend the "space" of agriculture; guide peasants in a planned way to conquer uncultivated mountains, waters, shoals, and

hillside fields; open up and utilize natural resources beyond existing farmland in a scientific way; and promote various crop cultivations as well as fish breeding and poultry raising to produce more wealth. It should be admitted that our country is still at the starting stage of the exploitation of natural resources beyond the existing farmland. The potential in this aspect is considerably great and can accommodate a considerable amount of labor. Practice has already proved it an effective way of utilizing surplus rural labor to adopt the measure of labor accumulation in carrying out the capital construction of water conservancy in a scientific and rational way. All localities should grasp this issue well, vigorously organize surplus rural labor to transform mountains, harness land, and build roads and such basic facilities as water conservancy, to improve, year by year, the production and living conditions of rural areas.

Second, we should continue to do a good job in providing township and town enterprises with support and guidance in their development. It is an inevitable trend of economic modernization for rural labor to shift to nonrural industries. Judging from the country's current situation, however, since the vast majority of peasants cannot work in cities and shift from place to place, an appropriate form for them is through township and town enterprises, a form with Chinese characteristics. Over the past 10 years and more, the special role of this form in the rural economy and the national economy has been gradually realized by people and has aroused a broad concern among relevant circles both at home and abroad. According to statistics, the current number of rural labor working in township and town enterprises occupies about 80 percent of the total shifted from agriculture. Although township and town enterprises were also faced with the problem of an overdue development speed as a result of the overheated general economic environment in the previous several years, this problem is but a side issue compared with the tremendous achievements scored by town and township enterprises. As regards the development prospects for the rural economy and the entire national economy, township and town enterprises belong to "a rising-sun industry," the development of which will require consistent efforts in the future. Therefore, it is imperative for us not to neglect township and town enterprises but to maintain the stability of various policies and continue to support the development of township and town enterprises in line with the country's industrial policies to gradually enhance the standards of these enterprises.

Third, we should continue to devote major efforts to encourage and support peasants in working in the tertiary industries. With the development of the rural commodity economy, tertiary industries are springing up vigorously, while millions and millions of peasants currently working in the circulation and service fields have made their contributions to stepping up agricultural production and bringing prosperity to urban and rural markets. Upon comparison, however, the rural tertiary industries remain an extremely weak link which has

become one of the major factors hindering a sustained and stable development of the rural economy. Therefore, it can be said that the tertiary industries are the ones which urgently need to be developed in today's rural areas, the industries which can accommodate the largest amount of labor in the future. All localities should obtain a full understanding of the potential in this field, work out appropriate policies, and give peasants a free hand in engaging themselves in various undertakings which can provide service to agricultural production, township and town industries, and the livelihood of the masses.

In a word, when resolving the issue of rural employment, we should neither fix our eyes only on major industries nor only on the limited farmland. To open all avenues for employment, we should first broaden our outlook and train of thought and have our eyes on reform of the old cultivation system, the overall exploitation of social resources, and the rural industrialization and modernization. Only by so doing so can we find more and better measures to resolve the issue of surplus rural labor employment.

Yangtze Navigation Facilities Improve in 7th Plan

*OW1412130390 Beijing XINHUA in English
1224 GMT 14 Dec 90*

[Text] Wuhan, December 14 (XINHUA)—The Chinese Government invested over one billion yuan in construction and improvement of wharves, navigation channels,

and harbor monitoring and telecommunications facilities along the Yangtze River during the state Seventh Five-Year Plan period (1986-1990).

Yangtze River navigation mileage account for 70 percent of the length of available waterways among China's rivers.

The investment was used to construct a number of projects including trade wharves in Huangshi in Hubei Province, Jiujiang in Jiangxi Province and Wuhu in Anhui Province. In addition, three coal wharves were built at Pukou in Nanjing, Wulimiao in Anqing and Zhicheng in Hubei Province. Passenger terminals were also improved at harbors in Wanxian County, and Yichang, Shashi and Maanshan Cities.

During the five-year period 275 wharves were constructed or expanded along the Yangtze River, and the annual handling capacity was increased by 10.38 million tons.

At the same time, 17 dangerous shoals were dredged along the river.

Construction of other projects, including the expansion of wuhan harbor, a foreign trade wharf with an annual handling capacity of 900,000 tons, are in full swing.

East Region

Shen Daren on Building of Spiritual Civilization

OW1312235490 Nanjing Jiangsu Provincial Service
in Mandarin 1015 GMT 11 Dec 90

[From the "Provincial Hookup" program]

[Text] A four-day meeting on building spiritual civilization and antipornography work in the province ended in Nanjing on the afternoon of 10 December. Shen Daren, secretary of the provincial CPC committee, delivered an important speech at the meeting.

He pointed out: The key to furthering the building of spiritual civilization and antipornography work in the province lies in the full implementation of relevant policies. Shen Daren said: It is our unswerving principle to pay equal attention to persisting in building both socialist material and spiritual civilizations. When pursuing our socialist modernization drive, we must persist in making the economic construction our central task and strive to develop social productive force. Making economic construction our central task, however, does not mean we can be lax about building spiritual civilization. The building of spiritual civilization will guarantee that we take the correct direction in building material civilization. The development of material civilization requires spiritual and intellectual support from spiritual civilization. Generally speaking, our province has achieved notable results in building spiritual civilization in the last several years. We should note, however, the inconsistencies inherent in sometimes taking a decisive approach and sometimes taking a half-hearted approach when building spiritual civilization. We should fundamentally reverse those inconsistencies. There remains a great deal of work to be done. To solve this problem, it is necessary to heighten our awareness of the strategic position of spiritual civilization building, implement well the policy of paying equal attention to building the two civilizations, and do a still better job of building the two civilizations.

Shen Daren also stated: Party committees and governments at all levels should launch the activities of building spiritual civilization and carry out antipornography work on a regular basis and implement relevant policies well. First, we must formulate a good plan for building spiritual civilization and include it in the overall scheme of the Eighth Five-Year Plan and the ten-year strategy for economic and social development. Second, we must pay particular attention to doing well in ideological and moral education. Third, we should organize well the activities for launching the building of spiritual civilization among the masses, continue proven methods for activities, constantly enlarge the scope of activities, and improve the forms of activities. Fourth, we must continuously do a good job in antipornography work. Great efforts should be made to effect a thriving socialist culture. Relevant departments in various localities should do a good job in enlivening cultural activities

during the New Year and Spring Festival so that the masses may have happy, peaceful, and civilized holidays.

Sun Jiazheng, deputy secretary of the provincial CPC committee, presided over the meeting on the afternoon of 10 December. Hu Fuming, member of the Standing Committee of the provincial CPC committee; and (Liao Guoliang), deputy director of the political department under the Nanjing Military Region, attended the meeting.

The meeting made plans on how to implement the guidelines of the two conferences of the CPC Central Committee, on regularly carrying out in-depth activities in building spiritual civilization, and on antipornography work. Participants in the meeting also earnestly exchanged experiences on doing a good job on the activities of building spiritual civilization and the antipornography work in various localities.

Jiang Chunyun Speaks on Training for Professors

SK1412024990 Jinan Shandong Provincial Service
in Mandarin 2300 GMT 12 Dec 90

[Text] At yesterday's ceremony to mark the opening of the first provincial training class for party-member professors of institutions of higher learning, Jiang Chunyun, secretary of the provincial party committee, said: We must concentrate our attention on grasping party building and the ideological and political work of institutions of higher learning, and make them into a strong front where the party's leadership and socialist system are upheld, and the bourgeois liberalization and peaceful evolution are opposed.

In his speech, Comrade Jiang Chunyun noted: Strengthening training for party-member professors is determined by the important status of professors in institutions of higher learning. Professors are the backbone force in the teaching and scientific research of institutions of higher learning, shouldering the glorious duties of training high-level personnel for socialist construction. To train qualified personnel, we must have qualified professors. The party and people have pinned ardent hopes on professors, particularly party-member professors. Institutions of higher learning across the province now have approximately 500 professors, of whom some 300 are party-member professors. Though the number of professors is small, their role and influence are great.

Comrade Jiang Chunyun noted: While analyzing the situation in institutions of higher learning, we must not underestimate the attempt of international hostile forces to instigate peaceful evolution, the seriousness of our struggle to scramble for successors, the sequelae of the practices of weakening the party's leadership and of ideological and political work over the past few years, and the abominable influence of bourgeois liberalization. We must clarify that the struggle to oppose bourgeois liberalization and peaceful evolution is protracted, tortuous, and complicated. Professors should be tutors

of young teachers in upholding socialist teaching orientation and the four cardinal principles. Party-member professors should fully display the role of passing on experience, giving help, and setting up examples in political and professional aspects.

In conclusion, Comrade Jiang Chunyun called on the 50 students attending the training class to persist in integrating theory with practice, grasp some fundamental ideological and theoretical issues, conscientiously study the relevant Marxist expositions, exert efforts to understand the essence of the guidelines, and firmly foster the viewpoint that they are party members in the first place and then professors.

Leading Comrades including Zhao Zhihao, Zhang Quanjing, Miao Fenglin, and Mao Zhongcai attended the ceremony to mark the opening of the training class on 12 December.

Central-South Region

Wang Zhongfu Named Shenzhen SEZ Vice Mayor

HK1412020790 Hong Kong SOUTH CHINA
MORNING POST in English 14 Dec 90 p 10

[Text] Former Communist Party Secretary of Changsha in Hunan Province, Mr Wang Zhongfu, has been appointed the executive Vice-Mayor of Shenzhen Special Economic Zone [SEZ], it was reported yesterday.

The announcement came on the eve of the first Chinese Communist Party Representative Conference in Shenzhen, which starts today.

Mr Wang, 49, is an expert on urban planning and industrial development in his native Hunan.

Informed sources say Mr Wang will replace Mr Zheng Liangyu as the SEZ mayor early next year, when Mr Zheng will be promoted to party boss, replacing Mr Li Hao.

Mr Zheng is scheduled to pay an official visit to Hong Kong in January when he will meet senior Hong Kong Government officials.

Henan's Hou Zongbin Views Economic Construction

HK1312154790 Zhengzhou Henan Provincial Service
in Mandarin 2300 GMT 11 Dec 90

[Excerpts] At a report meeting on learning from the advanced and speeding up Henan's development, which concluded yesterday afternoon, provincial party committee Secretary Hou Zongbin called on party committees at all levels to strengthen leadership over economic work in a down-to-earth manner. [passage omitted]

Comrade Hou Zongbin put forward six demands on party committees strengthening leadership over economic work:

1. Firmly foster the mentality of taking economic construction as the center and comprehensively implement the party's basic line.
2. Adhere to the ideological line of seeking truth from facts and find appropriate ways to push ahead with economic development of various areas.
3. Conform with the development of productive forces and strengthen leadership over reform and opening up.
4. Comprehensively carry out education on the party spirit principle and strengthen leading body building at all levels and grass-roots organization building in a down-to-earth manner.
5. Modestly draw upon experiences of other regions and earnestly sum up and popularize advanced local model experiences.
6. Carry out in-depth ideological education on socialism in both urban and rural areas with a view to ensuring fulfillment of our provincial economic and social development quotas.

Comrade Hou Zongbin said: The core of the party's basic line of "One Center, Two Basic Points" lies in promoting economic construction and promoting the development of social productive forces. The guiding ideology of "strengthening unity, forging ahead, and developing Henan," which was put forward by the provincial party committee is, in the final analysis, aimed at further and comprehensively implementing the party's basic line and speeding up the pace of our provincial economic construction. The pace of economic construction has an important bearing on our province's political stability and the development of all types of undertakings. It is also one of the basic criteria for judging whether or not we can firmly implement the party's basic line and achieve tangible results in this regard. Therefore, party committees and governments at all levels and all departments concerned in our province must firmly follow the guiding ideology of taking economic construction as the center and consciously submit to and serve this center in doing all types of specific work. [passage omitted]

Comrade Hou Zongbin said: In order to push ahead with reform and opening up, we must first of all further emancipate our minds, enhance the general concept of reform and opening up in the whole society, improve both "hard" environment and "soft" environment for reform and opening up. [words indistinct] In order to strengthen leadership over reform and opening up, we must unwaveringly oppose corruption on one hand and support and protect those cadres who dare to initiate reforms in a pioneering spirit on the other, make greater efforts to stabilize and implement all the existing reform measures, and further enrich, perfect, and develop all the existing reform measures in practice.

Comrade Hou Zongbin stressed: The key to implementing and carrying out the guiding ideology of "strengthening unity, forging ahead, and developing Henan" lies in cadres. Since the conclusion of the fifth provincial party congress, under the banner of "strengthening unity, forging ahead, and developing Henan," the

broad masses of cadres, especially party-member leading cadres, have strengthened their own sense of historical responsibility and their own sense of urgency. [passage omitted]

Comrade Hou Zongbin said: Party committees at all levels should closely combine drawing upon experiences of other regions with popularizing advanced local model experiences and try to use advanced model experiences to influence the rank and file, this being an effective method of strengthening party committee leadership and guiding economic work. It is necessary to conscientiously sum up and popularize good local experiences and advanced local models. At present, on the basis of conscientiously analyzing and digesting experiences in other regions, we should concentrate our efforts on conscientiously studying the things we should do in the near future and how we should fulfill the work tasks set for the first year in our Eighth Five-Year Plan by taking into account the actual conditions of various areas and units.

Comrade Hou Zongbin finally said: We must carry out in-depth ideological education on socialism in both urban and rural areas of our province during this winter and next spring. The ideological education on socialism consists of four aspects: 1) To carry out in-depth propaganda on the party's basic line to strengthen people's faith in socialism; 2) to conscientiously implement the spirit of the fifth provincial party congress and implement the guiding ideology of "strengthening unity, forging ahead, and developing Henan"; 3) to further strengthen grass-roots organization building [words indistinct] to forge closer ties between the party and the masses and between the cadres and the masses; and 4) to suit measures to local conditions, formulate development plans for all levels, put forward clear-cut goals for next year's work, decide what should be done next year, and comprehensively fulfill all the specific tasks aimed at building two civilizations.

Provincial party, government, and military leaders, principal responsible comrades of various cities and prefectures, and principal responsible comrades of various city and prefectural party committees' organization departments attended yesterday's meeting.

Xiong Qingquan on Strengthening Supervisory Work
*HK1312040890 Changsha Hunan Provincial Service
in Mandarin 2300 GMT 7 Dec 90*

[Excerpt] The first commendation meeting since the supervisory organs to supervise administration were organized across the province was held in Changsha yesterday.

Provincial party and government leaders including Xiong Qingquan, Liu Fusheng, (Zhao Chuqi), Dong Zhiwen, Shen Ruiting, et al attended the meeting and extended greetings.

In his speech, Xiong Qingquan pointed out: All levels of supervisory organs and large numbers of supervisory cadres across the province have made important contributions to maintaining political integrity and discipline, guaranteeing the smooth implementation of reform and open policies, and socialist modernization. I hope they will earnestly summarize their experiences, and continue to investigate and deal with violations of discipline and law, crack down on corruption, and rectify various unhealthy tendencies. At the same time, they should concern themselves with, and study economic work, suggest ways and means for developing Hunan's economy, and help solve related difficulties.

Comrade Xiong Qingquan called on all levels of party committees and governments to understand the importance and urgent nature of improving party style and building clean and honest government from the high plane of knowing that the campaign concerns the success and failure of reform and opening and the fate of our country. They should really strengthen leadership on supervision over administration and upgrade this province's supervisory work. (passage omitted)

Meets Envoys' Inspection Delegation

*HK1312135090 Changsha Hunan Provincial Service
in Mandarin 2300 GMT 11 Dec 90*

[Text] Yesterday evening, the reception room of the No. 5 building of Changsha's Furong Hotel was shrouded in a lively atmosphere and was filled with cheers and laughter.

Inside the reception room, provincial party committee secretary Xiong Qingquan, provincial party committee deputy secretary and provincial governor Chen Bangzhu, provincial vice governor Yu Haichao, and other leaders cordially met with all the members of an inspection delegation formed by Chinese envoys to foreign countries and regions.

The 29-member Hunan-bound inspection delegation, which is formed by Chinese envoys to Morocco and 14 other countries and regions, their wives, and relevant officials of the Foreign Ministry, arrived in Changsha at dawn yesterday. Despite fatigue, the envoys, who were full of zest, visited Changsha Refrigerator Factory, Hunan Hybrid Rice Research Center, and some other units yesterday morning and yesterday afternoon.

When meeting with the envoys in the evening, Comrade Xiong Qingquan, on behalf of the provincial party committee and provincial government, expressed warm welcome to their visit to Hunan in such cold weather. Comrade Chen Bangzhu briefed the envoys on Hunan's reform and opening up and expressed the hope that the experienced and knowledgeable envoys will put forward more suggestions to Hunan after completing their inspection in the province to help Hunan further promote her reform and opening up.

The envoys are scheduled to carry out a week-long inspection in Changsha, Changde, Dayong, and some other areas.

Southwest Region

Official on Tibet's External Propaganda Policy

OW1412091590 Lhasa Tibet Television Network
in Mandarin 1300 GMT 12 Dec 90

[From the "Tibet News" program]

[Text] At a regional meeting on external propaganda work held on the morning of 12 December, Raidi, deputy secretary of the autonomous region, stressed: Improving and strengthening external propaganda work in the region is urgently needed because we have to oppose peaceful evolution, fight splittism, safeguard the unification of the motherland, pursue the policy of reform and opening to the outside world, seek prosperity and progress in Tibet, and create an image of socialist new Tibet. [video shows close-ups of Gyaincain Norbu, Raidi, and other government leaders seated in a hall filled with about 200 conferees]

His speech touched on four points: First, unifying the ideology and improving the understanding of the importance of external propaganda work of the region; second, improving and strengthening external propaganda work in the region; third, strengthening leadership and promoting close cooperation in order to form a united force; and fourth, conscientiously carrying out external propaganda work for the 40th anniversary of the peaceful liberation of Tibet.

While talking about the principle of external propaganda work in the region, Raidi said: In accordance with the present situation and tasks of the region and in light of general principles of external work formulated by the CPC Central Committee, the party committee of the region has decided that in our external propaganda work it is necessary to insist on the fundamental line of one center and two basic points, pay attention to both domestic and foreign affairs, take the initiative, seek truth from facts, perform all of our tasks with a clear goal in mind, face the world, in a struggle of international public opinions, create an image of socialist new Tibet and publicize it, and serve the causes of opposing splittism, stabilizing the political situation, developing the economy, reform, opening to the outside world, and promoting prolonged political stability, prosperity, and progress.

Discussing major tasks in our external propaganda work for the present and the future, Raidi said: It is necessary to publicize the idea that Tibet is an inseparable part of China and to take a clear-cut stand in exposing and rebutting words and deeds of splittist elements at home and abroad and Western counterrevolutionary forces who advocate splittism under the banner of democracy, freedom, and human rights. We must praise the Tibetan

nationality, which is a people with long history and splendid culture. Tibetan people are hard-working, brave, intelligent, and kind. We must publicize comprehensive implementation and results of party policy toward nationalities and religion. We must also publicize great changes and progress Tibet has made in the course of developing from a feudal society of serfs to a socialist society. We should let people know of all great achievements since the peaceful liberation of Tibet. We should publicize the great support and aid to Tibet from the CPC Central Committee and all nationalities across the country over the past 40 years. We should let people know of the heroic deeds of the Tibetan and Han nationalities in building socialist new Tibet and of Tibet's policy in opening to the outside world. We must demonstrate the excellent prospects for expanding tourism and investment in Tibet. We should publicize the policy formulated by the CPC Central Committee which allows all Tibetans living abroad to enjoy freedom of correspondence. We should advocate the idea that all patriots belong to one big family, whether they rally to the common cause early or late. In propaganda work, it is necessary to promulgate the theme that only under the leadership of the CPC and by taking the socialist road can we achieve progress and development in Tibet today and see a brighter future for tomorrow.

Comrade Raidi said in closing: Leaders at all levels in the region and comrades who work for external propaganda departments must further enhance their understanding of the strategic significance of external propaganda work and strengthen their conscientiousness and initiative in external propaganda work. It is necessary to bring the initiative of all aspects into play. We must consider this meeting a starting point for external propaganda work in the region. We should further boost our morale, work in a concerted manner, liberate our ideology, march bravely forward, and work hard to create a new situation and achieve new successes in our propaganda work.

Attending the meeting were party and government leaders, including Gyaincain Norbu, Mao Rubai, Danzim, Chen Hanchang, Lang Jie, Pu Qiong, Qiang Chuo, Zheng Ying and other comrades.

Tibet's Gyaincain Norbu Reviews 1990 Tasks

OW1312124090 Lhasa Tibet Television Network
in Mandarin 1300 GMT 12 Dec 90

[From the "Tibet News" program]

[Text] The autonomous regional government held a plenary session on 11 December. Gyaincain Norbu, chairman of the autonomous region, briefed the session on this year's government work and sought opinions on major tasks for next year from members of the government. [Video shows close-ups of Gyaincain Norbu and wide shots of a conference room with about 30 conferees]

Mao Rubai and Puqung, vice chairmen of the autonomous region, attended the meeting.

In his report on this year's government work, Chairman Gyaincain Norbu said: Governments at all levels have carried out important instructions of leaders of the CPC Central Committee and the guiding line of the fourth party congress of the autonomous region by insisting on the principle of both stabilizing the situation and developing the economy, further improving the economic environment, rectifying economic order, deepening reform, changing work style, and strengthening macro-management, control, and coordination. Therefore, a fairly good trend in economic development has been seen this year in the region.

Major points for next year's government work will be continuing concentration on agricultural production by insisting on the principle of relying upon policy, science, and investment to have stable agriculture progress. Further efforts should be made to improve infrastructural construction with a focus on energy and transportation industries.

Also included in the agenda for next year's government work are the improvement of educational, scientific, and technological progress, persisting in reform and opening to the outside world, expanding foreign trade, strengthening economic and technological cooperation, promoting tourism, deepening reform in enterprises and agriculture and animal husbandry, striving to increase local financial revenues, and doing a good job in activities for celebrating the 40th anniversary of the peaceful liberation of Tibet.

PLA Troops in Tibet Arrive, Depart by Air

OW1212020090 Lhasa Tibet Television Network
in Mandarin 1300 GMT 11 Dec 90

[From the "Tibet News" program]

[Text] The Chengdu Military Region and the Tibet Military District held a ceremony for the first flight in the winter of 1990 to transport new recruits to and veteran soldiers out of Tibet at (Gongga) Airport, Tibet, on 10 December. The ceremony signifies that air transports of new recruits to and veteran soldiers out of Tibet has moved onto the right path. These soldiers belong to units that are stationed in Tibet. Air transports of new recruits to and veteran soldiers out of Tibet fully show the concern that the CPC Central Committee, the State Council, and the Central Military Commission have for the cadres and soldiers of the units stationed in Tibet. It also fully shows they devote much attention to these cadres and soldiers. Therefore, it has important significance for strengthening frontier defense and maintaining stability. All transports of new recruits to and veteran soldiers out of Tibet were carried out over highways before 1987. Problems such as food, shelter, and frost-bite exist in connection with such a transportation method, which not only costs a lot but also adds a great deal of pressure to local governments and troop units. After air transports of new recruits to and veteran soldiers out of Tibet began in 1987, the units stationed in

Tibet already explored and summed up some experiences. A foundation was laid for doing a better job in transporting new recruits to and veteran soldiers out of Tibet by air through accomplishing the first air transport mission since the change of the time for conscription to winter. [Video shows airliner of the Civil Aviation Administration of China [CAAC] taxiing to a stop on a runway while caption reading "Ceremony for the first flight to transport new recruits to and veteran soldiers out of Tibet" is shown on screen; cuts to show the parked CAAC airliner disgorging new arrivals who get down from the parked airliner via a ramp and walk away in a file; cuts to show soldiers grouped together against the background of a mountain top while some military leaders are seated behind a long table with one of them standing in the center and speaking to the soldiers; and last, cuts to show some departing soldiers filing into the parked CAAC airliner via a ramp]

North Region

Li Ximing Attends Young Pioneers Work Conference

SK1412021390 Beijing BEIJING RIBAO in Chinese
18 Nov 90 p 1

[By reporter Man Guifang (3341 2710 5364): "Li Ximing Stresses at Municipal Conference on Work of Young Pioneers That It Is Necessary To Start With Children in Training Successors"]

[Text] The municipal committee of the Communist Youth League [CYL], the municipal Education Bureau, and the municipal Young Pioneers Work Committee held a joint conference on the work of young pioneers from 15 to 17 November. Li Ximing, Li Qiyang, and Li Yuanchao attended to meet with the workers in charge of the work of young pioneers, stressing that we should start with children in training millions of qualified successors to ensure that there are successors to the socialist cause.

On behalf of the municipal party committee and government, Comrade Li Ximing first extended cordial regards and gratitude to the comrades on the forefront who were engaged in the work of young pioneers. He said: The work of training successors is a most important issue, and also an issue veteran comrades are deeply concerned about. People will get old, and we should have successors to develop our causes and make our country prosperous. Judging from our history, we encountered many difficulties in our economic construction, but we had both confidence and ability to resolve them, and our economic growth was even faster than that of capitalist countries. Compared with economic construction, the task of training millions of successors to our revolutionary cause is more difficult and arduous. The vast number of young people should study history to know the past. Lenin once said: "Forgetting the past means betrayal." His words have very profound meaning. The success in the Asian Games has enabled some people to eliminate the ideas of national nihilism, national inferiority, worshipping foreign things and fawning on foreign

powers, and to establish national self-confidence, self-improvement, and self-pride, boost their patriotic enthusiasm, and uplift their national spirit. We should further advocate the Asian Games spirit among young people, and do a still better job in training successors.

Comrades urged the participating comrades to keep their minds on the education of young people, and make it a success. He said: In training successors, we should start with children and small tasks. We should train children to establish a correct outlook on life, the world, and value, correct ideas on morality, and correct goals for their life to become qualified successors to the socialist and communist cause. Training of successors is a system engineering project involving many areas, and the concerted efforts of schools, families, and society are required. He urged all quarters of society to consider the training and education of young people an important task, put more efforts into it, and provide favorable conditions for children to grow healthily.

Comrade Li Qiyan also spoke. He said: We should educate children with good images. We should foster some heroic images for children to learn from so that they can resist the influence of unhealthy images.

During the conference, the participants discussed ways to strengthen the work of young pioneers. The conference urged CYL committees and educational administration departments at various levels to establish and improve the young pioneers work committees at various levels, and provide them with full-time cadres in charge of the work of young people, and full-time and part-time instructors. Training and management of instructors should be intensified, and outstanding instructors greatly publicized and commended.

People's Congress Standing Committee Meets

SK1212143190 Shijiazhuang HEBEI RIBAO
in Chinese 7 Nov 90 p 1

[By Liu Xiaotian (0491 1420 3944), Zheng Guizhen (6774 2710 3791), and Hu Rihua (5170 2480 5478): "The Seventh Provincial People's Congress Held Its 17th Standing Committee Meeting"]

[Text] The 17th Standing Committee meeting of the seventh provincial People's Congress was held in Shijiazhuang this morning.

Guo Zhi presided over the meeting and explained its agenda. The committee members adopted this agenda.

According to the agenda, the committee members at the meeting will first hear an explanation given by Fan Guangti, vice chairman of the Financial and Economic Committee of the provincial People's Congress Standing Committee, on revising the "Hebei provincial regulation on managing water conservancy projects (draft)." They also heard his explanation of the decision (draft) of the provincial People's Congress Standing Committee on

revising the "Hebei provincial regulation on land management." He said: In line with the opinions raised at the last meeting on revising the draft regulation governing management of water conservancy projects, the Financial and Economic Committee and the provincial water resources department have conscientiously made revisions and pinpointed the key points.

After that, Zhou Xin, director of the provincial supervision department, was entrusted by the provincial government to deliver a work report on "making continued efforts to strengthen the building of clean politics and exerting strenuous efforts to straighten out unhealthy trends in various trades." He said: During the last two years, particularly since the fourth plenary session of the 13th party Central Committee, the party Central Committee, the State Council, and the provincial party committee and government have adopted a series of effective measures to strengthen the building of clean government and to straighten out unhealthy trends in various trades. They have achieved fairly noticeable results. The current major problems are: Some people fail to fully understand the importance and urgency of checking unhealthy trends in various trades; some lack confidence in the work and fear that it will be carried out perfunctorily or superficially; and some fail to deeply carry out the work of checking unhealthy trends, or else they do not develop it evenly. In the future, we should continue to adopt effective measures to realistically carry out this work.

Tang Yicheng, vice chairman of the provincial Planning and Economic Commission, delivered a "Report on the Implementation of Hebei Province's 1990 National Economic Plan." He said: Since the beginning of this year, all localities and departments across the province have continued to implement the principle of improvement, rectification, and deepening of reform. They have maintained a stable national economic situation in the whole province. The current prominent problems are: Although we have reaped a bumper agricultural harvest, the agricultural foundation has remained weak; the market sales and the upturn of industrial production have remained slow; the progress in readjusting the product mix is too slow; the situation of poor economic results has not yet been changed and the financial situation has remained severe; and the foreign export trade has declined, making it difficult for us to fulfill this year's annual task. To this end, the provincial government has adopted measures and decided to guarantee the fulfillment of this year's financial plan.

Chen Tiguang, vice chairman of the provincial Education Commission, delivered a "Report on Vocational Technical Education and Adult Education." He said: Over the past few years, our province has greatly developed secondary and elementary vocational technical education. It has initially formed a vocational technical educational system with Hebei characteristics. In adult education, since the advocacy of the provincial party committee and government to run schools through various channels, the enthusiasm in running schools of governments and departments at all levels has been

greatly boosted and an unprecedentedly active situation in adult education has emerged. Furthermore, there are still some problems which must not be neglected and must be solved with conscientious efforts.

After the meeting, committee members discussed all the reports.

Yue Zongtai, Hong Yi, Zou Renyun, Du Benjie, and Bai Shi, vice chairmen of the provincial People's Congress Standing Committee, attended the meeting.

Zhang Runshen, Ma Da, Gao Wenyong, and responsible comrades of relevant departments directly under the provincial government, various departments and committees of the provincial People's Congress Standing Committee, liaison units in all localities, and People's Congress standing committees of various cities under the provincial government, attended the meeting as observers.

Hebei Province Celebrates CPPCC Founding

SK1212135090 Shijiazhuang HEBEI RIBAO
in Chinese 9 Nov 90 p 1

[By reporters Fan Wenjian (5400 2429 0313) and Kong Qicai (1313 0366 2088): "Various Circles of the Provincial Capital Gather To Celebrate 40th Anniversary of the Founding of the Provincial Committee of the Chinese People's Political Consultative Conference"]

[Excerpt] The various circles of the provincial capital gathered on the afternoon of 8 November to celebrate the 40th anniversary of the founding the Hebei Provincial Committee of the Chinese People's Political Consultative Conference [CPPCC].

On that day 40 years ago, the Hebei Provincial Consultative Committee of the Conference of the Representatives From Various Circles, which the provincial CPPCC committee grew out of, was officially established. It acted on behalf of the Hebei Provincial Local CPPCC Committee and the Hebei Provincial People's Congress. In August 1954, the Hebei Provincial People's Congress was successfully held, and the historical task for the Hebei Provincial Consultative Committee to act on behalf of the Hebei Provincial People's Congress was completed. However, it continued to exist as an organization of the people's democratic united front of our province, and to play its role. In January 1955, the first Hebei Provincial CPPCC Committee was organized in line with the stipulations of the CPPCC regulations. Since then, six committees have been established.

Attending the celebration rally were leading comrades of the provincial party committee, Advisory Commission, People's Congress Standing Committee, government, CPPCC committee and military district, and the Army units stationed in Shijiazhuang; the Standing Committee members and members of the National CPPCC Committee living in Shijiazhuang; and responsible persons of the provincial fellowship association of CPPCC friends.

They were Xing Chongzhi, Cheng Weigao, Lu Chuanzan, Li Bingliang, Guo Zhi, Li Wenshan, Han Shiqian, Zhang Zhenhuan, Liu Bingyan, Xie Feng, Yin Zhe, Liu Ying, Zou Renyun, Du Benjie, Zhang Runshen, Li Feng, Xu Chunxing, Wang Zuwu, Du Jingyi, Wang Enduo, Zhang Ruolin, Chen Lintang, Huang Feng, Yu Zhenzhong, Tong Weiming, Lu Shengfa, Chen Xuezheng, Huang Huirong, Zhang Jinbao, Jia Qiyun, Lu Zhiguo, Ma Zhuozhou, Yin Yigang, Bai Yun and Liu Zhenhua. [Passage Omitted]

Xing Chongzhi Speech

SK1312121890 Shijiazhuang HEBEI RIBAO
in Chinese 9 Nov 90 p 2

[Speech given by Xing Chongzhi, secretary of the Hebei provincial party committee, at the 40th founding anniversary of the provincial Chinese People's Political Consultative Conference [CPPCC] Committee on 8 November 1990]

[Text] Chairmen, committee members, comrades and friends:

Today, persons from all walks of life in the provincial capital have gathered together here to warmly celebrate the 40th founding anniversary of the Hebei Provincial committee of the CPPCC. Let me extend heartfelt congratulations to the rally on behalf of the Hebei provincial party committee and the Hebei Provincial People's Government. And let me take this chance to extend lofty respect and sincere regards to all democratic parties and mass organizations which stood together with the party through thick and thin during the past 40 years, members of the previous CPPCC committees at all levels and patriotic personages from all circles, including those who showed concern for and supported the CPPCC work, particularly those veteran chairmen and comrades who made great contributions to our province's CPPCC work, and all comrades who are presently still engaged in the CPPCC work.

Since its establishment 40 years ago, the provincial CPPCC Committee has forged ahead despite difficulties and has exerted efforts to promote our province's economic and social development. In the past 40 years, six provincial CPPCC committees have been established. Comrade Lin Tie was the chairman of the Hebei Provincial Consultative Committee—one which the provincial CPPCC grew from; Comrade Ma Guorui was the chairman of the first and second provincial CPPCC committees; Comrade Yan Dakai served as chairman of the third committee; Comrades Liu Zihou and Yin Zhe served as chairman of the fourth committee respectively; Comrade Yin Zhe served as chairman of the fifth committee; and now Comrade Wenshan is the chairman of the sixth committee. People will not forget that the time during the tenure of office of the Hebei Provincial Consultative Committee from which the Hebei Provincial CPPCC Committee originated was precisely the most difficult time during the early period of the

founding of New China. The consultative committee acted on behalf of the Hebei Provincial Local CPPCC Committee and the Hebei Provincial People's Congress, did much work for building Hebei's local political power, implementing the party's various principles and policies and the decrees, laws, and regulations of the state, promoting the movements of resisting U.S. aggression to aid Korea, suppressing counterrevolutionaries, and fighting the "three evils" and the "five evils," and realizing an unprecedentedly great unity among the people of the whole province in particular, and made tremendous contributions to promoting stable development in Hebei. In August 1954, Hebei Province held its first People's Congress. The provincial CPPCC committee carried out its work with a brand-new outlook and effectively carried out our province's political, economic, cultural, and friendly overseas activities. Since the third plenary session of the 11th party Central Committee, under the leadership of the Hebei Provincial CPC Committee, the provincial CPPCC Committee has held high the banners of socialism and patriotism, focused its work closely on economic construction, and actively served the work of consolidating and developing a stable and united political situation and promoting socialist modernization construction, reform, and opening, conscientiously exercised the basic functions of political consultation and democratic supervision, served the work of improving socialist democracy and the legal system, displayed its superiority of having trained personnel and intellectual resources, served the building of the two civilizations, actively carried out Taiwan and overseas propaganda and contacts, and served the implementation of the principle on "one country two systems," and the great cause of promoting the peaceful reunification of the motherland. At the same time, the provincial CPPCC Committee has continued to strengthen self-cultivation and has become an effective organization for consolidating and developing our province's patriotic united front, an important form for promoting socialist democracy in our province's political life, and an important force for promoting our province's socialist modernization construction and the building of socialist spiritual civilization. It has enjoyed a high prestige among the people of various nationalities across the province.

During the past 40 years, the provincial CPPCC Committee accumulated many valuable experiences, and formed a whole set of fine traditions and work styles. As we celebrate the 40th founding anniversary of the provincial CPPCC Committee, let us extend lofty respect to members of the previous CPPCC committees and all veteran chairmen. We should inherit and promote the fine traditions and work styles of the previous provincial CPPCC committees and chairmen and carry out the future CPPCC work more successfully.

In a speech given at the New Year tea party this year, Comrade Jiang Zemin noted: "The people's CPPCC is an organization of our country's extensive patriotic united front, an important political and organizational

form for realizing the system of multiparty cooperation and political consultation under the leadership of the CPC, and an important channel for promoting socialist democracy. The people's CPPCC has representatives from all social strata and all quarters and they comprise a highly intellectual group. The CPC committees and the governments at all levels should pay full attention to and display the role of the people's CPPCC." He also emphatically pointed out that this "role" can never be replaced by other things in our country's political life. The CPPCC plays a mutual supplementary role to the People's Congress and government. Comrade Jiang Zemin's said such an exposition scientifically summarized the nature, status, and role of the people's CPPCC, and showed great attention which the party Central Committee has given to CPPCC work. Party committees at all levels should conscientiously implement all principles and policies of the CPC Central Committee on CPPCC work, give full play to the active role of the people's CPPCC in building the two civilizations, and pay attention to helping the CPPCC committees solve practice problems in their work in an effort to boost the positive factors of all quarters and to more effectively promote a stable economic and social development in our province.

At present, our province's political and economic situations are good. Through implementing the spirit of the sixth plenary session of the 13th party Central Committee, and by proceeding from reality, the fine tradition of doing practical things for the people by all possible means has been promoted. The province's social situation is stable and the relationship between the party and the people and between the cadres and the masses has been further strengthened. Through the improvement and rectification campaign, we have effectively controlled price hikes, witnessed an upturn in industrial production, and reaped a comprehensive bumper agricultural harvest. The successful convocation of the recent provincial commodity trade fair showed that the sluggish market situation began to change. Meanwhile, we should also recognize that there are still many difficulties in our province's economic development and that the decline in economic results and financial shortages are still fairly serious. We should correctly understand the current economic situation, enhance spirit, strengthen confidence, work in unity, and pool the wisdom and efforts of all to overcome difficulties. We should continue to hold aloft the two banners of socialism and patriotism, comprehensively implement the party's basic line, firmly foster the guiding ideology of taking economic construction as the central task, better promote the fine traditions of the people's CPPCC, fully display all advantages of the CPPCC committees, and let them play a greater role in the province's economic activities, in implementing the strategy on "using science and technology to invigorate Hebei," and in promoting opening up, and let them make new contributions to regenerating China and making Hebei prosperous.

Finally, I wish you all present here happiness and good health.

Xing Chongzhi Inspects Township Enterprises

*SK1412041290 Shijiazhuang HEBEI RIBAO
in Chinese 10 Nov 90 p 1*

[By Yang Weiguo (2799 5898 0948) and Xu Wanhong (1776 8001 1347): "Enhance Concept of Reform, and Facilitate Steady Development of Township Enterprises"]

[Text] Xing Chongzhi, secretary of the provincial party committee, inspected the township enterprises in Xiongxian, Rongcheng, and Xushui counties from 4 to 7 November, urging cadres at various levels to enhance the concept of reform and opening up, and facilitate the steady development of township enterprises.

Xing Chongzhi said: Rongcheng County maintained a good trend of steady development in its cloth-making industry in the past two years. The current crucial issue is to step up adjustments of the irrational industrial structure and product mix, and strive to improve product quality. We should adopt dialectical viewpoints to judge issues, and actively make progress amid the economic improvement and rectification instead of waiting for the economic improvement and rectification to finish before trying to achieve development. This requires that leading comrades first enhance their understanding. Only with enhanced understanding can they have more initiatives, and adopt realistic measures to make success of their work. He stressed: Cadres at various levels should further enhance their concept of reform and opening up. They should make sure that reform and opening up are carried out on all sides, and should adopt every means to learn from advanced technology, advanced managerial expertise, and outstanding culture of other countries, other provinces, and municipalities, and their counties. All counties should have the cadres, including enterprise directors and managers, who have a strong concept of reform and opening up.

Xing Chongzhi said: We should keep our policies stable, actively give guidance to township enterprises, and adhere to the principle of allowing enterprises of various ownerships run by townships, villages, and households jointly or individually to coexist. Every county should develop its own high competitive products and pillar industries. Rongcheng County's current cloth-making enterprises run by the state, collectives, associations, and individuals have been developed into a fairly large scale, and has entered a period of improvement from the beginning period. To bring township enterprises up to a new stage, our thinking and work should catch up. We should use the cloth-making industry to lead the development of other industries, such as the production of buttons, plastic bags, zippers, and paper boxes.

We should adopt measures to improve the political and professional quality of the personnel of township enterprises. We should first educate enterprise managers to do

business and pay taxes according to laws. We should adopt various measures to train enterprise directors in order to raise their ideological, political, and managerial levels. Township enterprises are prohibited from hiring child laborers. Explicit regulations should be formulated to ban employment of people who have not yet graduated from junior middle schools in the future, and to take remedial measures to raise the educational level of the existing staff members and workers.

In view of the ever intense competition in the market, we should adopt every means to raise the quality of enterprises and the grade of products. This requires that we bring in trained personnel proficient in management, marketing, finance and accounting, and technology, bring in advanced production technology and equipment, and cooperate with colleges and universities, and scientific research units. Only in this way can we raise the quality of enterprises and the grade of products, and make our products occupy more space in the ever changing market.

We should coordinate township enterprise development with urban construction, and work out plans for small industrial zones. At present, some enterprises have built their factories and facilities fairly well, but the environment around them leaves much to be desired. Through construction of small industrial zones, we should gradually build county seats and localities where town and township governments are located into economic and cultural centers.

Speaking on the relationship between industry and agriculture, Xing Chongzhi said: We should never pay attention to industry to the neglect of agriculture. We should use industry to supplement and promote agriculture, and increase agricultural investment.

Inner Mongolia Circular on Criminal Recantation

*SK1112043690 Hohhot NEIMENGGU RIBAO
in Chinese 3 Nov 90 p 1*

[Text] The autonomous regional Higher People's Court, the autonomous regional People's Procuratorate, the autonomous regional public security department, and the autonomous regional judicial department jointly issued a circular on 1 November, calling on all criminals to surrender themselves to the judicial organs, to confess their crimes, and to inform against other offenders within the given time to obtain lenient treatment.

The circular points out that effective 1 November, all criminals who have surrendered themselves to the relevant units of judicial organs and of people's governments at all levels, voluntarily confessed their crimes, and have informed against other offenders to make contributions to social stability within the date of 20 December, will be handled with leniency in line with the law.

The circular consists of the following stipulations: In line with the different circumstances, criminals who have voluntarily confessed their crimes may be exempted

from punishment or be punished lightly. Those who have made contributions or large contributions to social stability by informing against other offenders may be exempted from punishment or be punished lightly. Criminals at large and fugitives from justice and labor camps, who have surrendered themselves to the judicial organs and confessed their crimes may be handled with leniency or exempted from punishment. All criminals at large and fugitives who have continuously committed crimes or obstructed others in confessing their crimes and informing against other offenders will be sternly punished. People who have covered up the deeds of criminals and given shelter to them will be held responsible for a crime.

The circular urges the vast number of people to wage struggle against crimes and to actively help the judicial organs do a good job in guarding against and preventing crimes as well as dealing blows at crimes.

Northwest Region

Gu Jinchun Addresses Advisory Committee Meeting

HK1112125590 Lanzhou Gansu Provincial Service
in Mandarin 2300 GMT 7 Dec 90

[Text] Yesterday afternoon, the provincial Advisory Committee held a plenary session.

Provincial party committee Secretary Gu Jinchun arrived at the meeting to see all the veteran comrades of the provincial Advisory Committee. He expressed the hope that they will play a more important role in provincial construction and act as a good adviser and a good assistant to the provincial party committee.

Provincial Advisory Committee Vice Chairman Wu Jian presided over the meeting.

The newly elected provincial Advisory Committee Chairman Li Ziqi, provincial Advisory Committee members, and provincial Advisory Committee Secretary General Li Tianchang attended the meeting.

In his speech, provincial party committee Secretary Gu Jinchun said: It is more than 10 days now since I arrived in Gansu. Since my arrival, I have held talks with some veteran comrades. I plan to spend more time carrying out investigations and research in order to acquire a clear understanding of the situation in Gansu. Gansu has already formulated its own strategic plans and goals. I will join hands with all the comrades in conscientiously implementing these plans. In doing my work, I will try my best to inherit and develop the fine ideology and style formed by the Gansu comrades in their many years of work, continue to implement a responsibility system at all levels and in all types of work, and listen to and accept the good views of all comrades. In the future, I will solicit your views on all the major issues discussed by the provincial party committee when necessary.

Li Ziqi said: Today's provincial Advisory Committee plenary session is the first plenary session I have attended since I was appointed to the provincial Advisory Committee. In the past, all the members of the provincial Advisory Committee united as one, gave unreserved support to the work of the provincial party committee, invented a lot of good methods, and gained a lot of good experiences. In the future, all the veteran comrades of the provincial Advisory Committee should exert their utmost to help the provincial party committee do Gansu's work well.

In their speeches, members of the provincial Advisory Committee pledged to continue to give their unreserved support to the work of the provincial party committee as they did in the past and make their contributions to the success of Gansu's work.

Views Discipline Inspection Work

HK1312134490 Lanzhou Gansu Provincial Service
in Mandarin 2300 GMT 11 Dec 90

[Text] Yesterday morning, provincial party committee Secretary Gu Jinchun, provincial Advisory Committee Chairman Li Ziqi, and provincial party committee deputy secretaries Lu Kejian and Yan Haiwang cordially met in Lanzhou with representatives of advanced collectives and advanced individuals who had just attended the national conference on commending advanced discipline inspection organizations and individuals.

On behalf of the provincial party committee, Gu Jinchun made a speech, extending congratulations to all of them. He said: That you have been commended as advanced discipline inspection collectives and individuals at the national conference is not only an honor for you but also an honor for all the discipline inspection cadres in Gansu.

Gu Jinchun said: In order to push ahead with the economic development of our province, we must make continued efforts to strengthen party building and step up party style building, party discipline building, and clean-government building in a down-to-earth manner. The discipline inspection organizations can do a lot of work in this regard.

Gu Jinchun expressed the hope that all the comrades commended at the national conference will take good ideology, style, and experiences to their respective units to encourage and lead all the comrades to further develop the existing achievements and push all types of work of our province to a new level.

Li Ziqi and Yan Haiwang also made speeches during the meeting.

According to another report, the Wuwei Prefectural Discipline Inspection Commission was commended as an advanced discipline inspection commission at the recently convened national conference on commending advanced discipline inspection organizations and individuals.

Song Hanliang on Unity of Nationalities

OW1412120990 Urumqi XINJIANG RIBAO in Chinese
29 Nov 90 p 1

[Speech by Song Hanliang at a telephone conference held in Urumqi on 28 November]

[Text] Dear comrades: Today, the party committee of the Xinjiang Military District holds a telephone conference to commend advanced collectives and individuals for their contribution to unity and progress among various nationalities. This is a major event in the political life of all the officers and soldiers in the military district. On behalf of the party committee and the people's government of the Xinjiang Uygur Autonomous Region, I extend the warmest congratulations to the commended advanced collectives and individuals and the highest respect and cordial regards to all the commanders and fighters of the Army stationed in Xinjiang.

The party committee of the Xinjiang Military District has always attached importance to the work of promoting unity of the various nationalities and enhancing unity between the Army and the people. We have placed the work of promoting unity among nationalities in a very prominent position and have constantly strengthened leadership over the work of promoting unity among the nationalities. In particular, since the Third Plenary Session of the 11th CPC Central Committee, the military district regional party committee and party committee at all levels have persistently conducted education in Marxist theories on nationalities, in the "Law on Regional Autonomy for Minority Nationalities" and in the party's policy on nationalities. We have carried out education in strengthening unity of various nationalities, safeguarding the unification of the motherland, opposing splittism, upholding the four cardinal principles, and opposing bourgeois liberalization. We have vigorously launched activities in selecting model units for promoting unity among nationalities and unity between the Army and the people, as well as for advanced collectives and individuals for promoting unity among the nationalities. Proceeding from the practical situation in Xinjiang, we have combined the glorious tradition of supporting the government and cherishing the people, and the effective way of developing Army-people joint projects with the specific characteristics of national unity work into an organic whole, from which we have created many good experiences and achieved outstanding results.

The Chinese People's Liberation Army (PLA) is a great wall of steel and iron for safeguarding the motherland's unity and defending its borders. In the struggle to build and defend Xinjiang, the Xinjiang Military District has made great contributions to the stability and development of Xinjiang. In various situations of fighting floods and going to the rescue hurriedly, carrying out earthquake relief work, the Army stationed in Xinjiang has carried forward the glorious tradition of the PLA, not afraid to shed blood or sacrifice their lives in defying

difficulties and hardships, and has made new contributions in protecting state properties and the lives and safety of the people. The various Army units in Xinjiang Military District have actively participated in local economic construction, wholeheartedly and energetically serving the broad masses of people of all nationalities, helped accelerate the economic construction and development of various enterprises in the autonomous region and won the love and esteem of people of various nationalities. Facts have amply shown that the PLA is a firm pillar of the people's democratic dictatorship and a staunch defender of the four modernizations. In the struggle of safeguarding unity among the nationalities, opposing national splittism and defending the motherland's unity, the Army stationed in Xinjiang can withstand the test and is politically qualified and has proved itself as an Army loyal to the party and the people.

During his inspection tour of Xinjiang, General Secretary Jiang Zemin has given very important instructions on how to do a good job in Xinjiang as well as in the Xinjiang Military Region. These instructions are all permeated with Marxism-Leninism-Mao Zedong Thought, materialist dialectics, and the party's ideological line of seeking truth from facts and are of great significance in guiding us to do a good job in various tasks. General Secretary Jiang has emphasized again and again that Xinjiang is in a very important strategic position. It is the northwest gate of the motherland and a significant protective shield which ensures the smooth implementation of economic construction and reform and open policy of our country. The stability or instability of Xinjiang holds a decisive position in the stability of the whole country. The PLA plays an especially important role in safeguarding the stability of Xinjiang. We must continue to implement the policy of stability overriding everything else and do an even better job in fortifying border defense and stabilizing society. The party, government, Army, and armed police as well as the production and construction corps must be united as one and coordinate closely and jointly make new contributions to the stability of Xinjiang.

We must pay special attention to strengthening unity between the Army and the government, as well as the Army and the people, particularly to the work of promoting the unity of various nationalities. We must continue to persistently carry out education among cadres and fighters of various nationalities in Marxist theories on nationalities; in the party's policy on nationalities and unity among the nationalities; in upholding the four cardinal principles and in opposing bourgeois liberalization. It is necessary to unrelentingly conduct education in carrying forward the glorious tradition of age-old unity in struggle, making joint efforts to build Xinjiang in prosperity and progress. It is necessary to make all commanders and fighters fully aware that national splittism constitutes the major threat to Xinjiang; we cannot relax our efforts for a moment in opposing national splittism. We must firmly establish the ideology that "the Han cannot do without the

minority nationalities and the minority nationalities cannot do without the Han; the Army cannot do without the people of various nationalities and the people of various nationalities cannot do without the Army." We must constantly heighten the consciousness of all commanders and fighters in safeguarding unity of the motherland, opposing national splittism, promoting unity among nationalities and unity between the Army and the people so that they will really make conscious efforts to promote unity among the nationalities and unity between the Army and the people.

It is necessary to make strenuous efforts to consolidate ideological and political work, do a good job in building party committees and party branches at various levels in the Army, earnestly implement the guidelines of the "program for Army building at the grass roots," and consciously strengthen work at the grass roots. We must assign special importance to strengthening the construction of border defenses and ensuring stability and peace on the frontier. It is necessary to continuously launch activities in supporting the government and cherishing the people, developing Army-people joint projects and creating "double models." We must take more initiative in performing good deeds for people of various nationalities and doing more practical work to constantly build closer relations between the Army and government as well as the Army and people with actual deeds. Party committees at various levels in all localities and the government and people of various nationalities must support the Army in doing a good job in construction, cementing close ties between the Army and the people, and ensuring the smooth accomplishment of various tasks.

Fellow comrades, our tasks are honorable and arduous. "To aspire toward stability, search for unity, hope for development, and fight for prosperity and power" are the common aspirations and will of the Army and people of all nationalities throughout Xinjiang. The regional party committee and people's government of the autonomous region hope that you will treat this commendation conference for promoting unity among various nationalities as a new starting point and go all out to fight for the stability and development of Xinjiang. Make new contributions to constantly advancing the cause of promoting unity and progress of various nationalities for the sake of political stability, economic development, unity among various nationalities, as well as unity between the Army and the government and the Army and the people.

Akto County Screens Religious Activities

OW1012121190 Urumqi XINJIANG RIBAO in Chinese
25 Nov 90 p 1

[By correspondent Zhang Haiqing (1728 3189 3237) from Akto]

[Text] After earnestly drawing lessons from the incident of counterrevolutionary armed rebellion in Baren Township, Akto County has acted in accordance with the law to strictly screen and rectify religious facilities. So far, construction of 153 mosques has been discontinued, and 50 religious facilities have been closed. Religious activities in the county have been put on the track of the legal system.

Previously, construction of mosques was a very common practice in Akto County because of lax control in this regard. Especially in the past few years, more and more mosques were built in the county, and the number had reached 604 when the counterrevolutionary rebellion occurred in Baren Township this year. This not only affected the normal life of the masses and increased the peasants' burden; it also resulted in frequent instances where religion illegally interfered in administrative and judicial work as well as in marriages. In addition, there was a resurgence of some outdated customs and practices and feudal superstitions that were abolished long ago.

Following the incident of counterrevolutionary rebellion in Baren Township, the Akto County party committee and government carried out a full-scale screening and rectification of religious facilities in the county. Based on location, they closed down 50 superfluous mosques and, at the request of the masses, decided to stop more than 100 new mosque projects whether they were under construction or under planning. At the same time, they reexamined and reappointed county religious work personnel and set up files for them. Moreover, they established and strengthened religious administrative departments at the township and village levels as well as administrative organs covering all mosques, big or small. These organs are composed of principal township and village leaders, public figures of religious circles, and representatives of religious believers among the peasants. In addition, all mosques have established a system for imams to undertake the responsibility of their affairs. Strict rules governing religious activities and use of religious facilities have also been established. As a result of screening and rectifying religious facilities, the economic burden on the masses has been lessened, and all religious facilities are in good order. The broad masses are quite pleased with this.

United Front Official Discusses Reunification

HK1412093190 Hong Kong MING PAO in Chinese
14 Dec 90 p 7

["Special Dispatch" from Guangzhou, by reporter Lin Chui-fei (2651 5050 5358): "Deputy Head of the United Front Work Department Wu Lianyan Reveals new Spirit of the CPC Policy Toward Taiwan"]

[Text] Wu Lianyan, deputy head of the United Front Work Department, said here yesterday that the principal spirit of the national meeting on Taiwan affairs which has just concluded in Beijing is to unswervingly implement the principle of "one country, two systems" with the emphasis that both sides should get into touch with each other, hold talks, and directly make "three contacts."

Wu also said that the Communist Party of China welcomes all political parties in Taiwan to participate in talks between the two sides of the Taiwan Strait except those advocating Taiwan independence and a split.

While giving interviews to reporters, Wu Lianyan explained the idea mentioned at the meeting, that talks between the two sides of the Strait can be carried out at both senior and junior levels: "Senior-level talks" refers to talks carried out by central authorities at the national level, while "junior-level talks" refers to those in various other forms.

He said: As far as the Chinese mainland is concerned, the door for talks is already open, though the place for talks still awaits a decision from the central authorities.

Wu Lianyan criticized the Taiwan authorities, saying they "stress one China in words, but in deeds appease Taiwan independence and carry out a flexible, one China-one Taiwan foreign policy. All this will hinder China's peaceful reunification."

Wu also indicated: "Efforts by the mainland side alone are insufficient to resolve the reunification issue, which requires joint efforts from the Taiwan authorities and the Taiwan people."

Asked whether or not the Democratic Progressive Party [DPP] is welcome to the talks, Wu Lianyan said: Although all political parties are welcome to participate in the talks, according to his experience those advocating Taiwan independence are not included. This is because those for Taiwan independence and a split do not share a common language with us, so there would be nothing for us to talk about!

On the question of whether or not Lee Tung-hui is expected to participate in the talks, Wu Lianyan said: "Whoever comes for talks will be welcomed!"

When asked whether or not force will be used on Taiwan if reunification is not achieved in the 1990's, Wu Lianyan said that what the meeting emphasized is peaceful reunification.

This was followed by another question: Does it mean no force will be used? Wu Lianyan pointed out: We will never promise not to resort to force; but the use of force is by no means directed against the people of Taiwan.

On the mention that Deng Xiaoping has been quoted by people from Taiwan as hoping to realize reunification in the coming three years, Wu Lianyan indicated that he had never heard about this.

Wu Lianyan said that although it hopes to bring about reunification between both sides of the Strait as soon as possible, China cannot one-sidedly force a deadline or a command on anyone. Reunification can be completed only with the joint efforts of both parties.

Editorial Urges Reunification in 1990's

HK1412040090 Hong Kong WEN WEI PO in Chinese
14 Dec 90 p 2

[Editorial: "Striving for the Motherland's Complete Reunification in the 1990's"]

[Text] At the end of the first year of the 1990's, the CPC Central Committee held a national meeting on Taiwan affairs in Beijing. The conclusion reached at the meeting was: "It is a major task in the 1990's for the whole party and nation to strive for an early resolution of the Taiwan issue and bring about the motherland's complete reunification. It is imperative for the whole party unswervingly to implement the 'one country-two systems' principle, in a down-to-earth manner to do a good job in work concerning Taiwan affairs, and to take an active part in stepping up the thorough development of relations between the two sides of the Taiwan Strait so as to speed up the process of the peaceful reunification of the motherland." This conclusion also can be regarded as the guiding principle for the Beijing side in its resolution of the Taiwan issue.

Stepping up the construction of socialist modernization; striving for the motherland's reunification, including Taiwan; and opposing hegemonism and safeguarding world peace are the three major tasks of the new era. Of these, significant headway in the process of the motherland's reunification was made in the 1980's, which was marked by the signing of the "Sino-British Joint Declaration on the Question of Hong Kong" in 1984 and the "Sino-Portuguese Joint Declaration on the Question of Macao" in 1987. Although these two issues of Hong Kong and Macao, left over by history, have been resolved, China's reunification remains incomplete, with the Taiwan issue still awaiting resolution.

New progress also was made in the reunification process between Taiwan and the mainland motherland in the second half of the 1980's. Since the Taiwan authorities permitted Taiwan compatriots born on the mainland to return to their native places for visits, millions of Taiwan compatriots have been to the mainland to visit, sightsee, and do business. The two sides of the Taiwan Strait no longer resort to arms against each other, but have carried

out three indirect contacts. The increasingly relaxed atmosphere over the Taiwan Strait, together with the mainland's stable situation and thorough development of reform and opening up, both have served to form an important prerequisite for resolving the Taiwan issue in the 1990's.

The ruling parties on both sides of the Strait, namely the CPC and Kuomintang, enjoy a consensus on the reunification issue, which is that there is only one China, and the mainland and Taiwan will be reunited in the end. The CPC side has long been proposing negotiations with the Kuomintang on the issue of a peaceful reunification, while the Taiwan Government, through "Presidential Palace" spokesman Chiu Chin-yi, officially indicated that "future negotiation with the CPC is inevitable." This is also a consensus enjoyed by the two parties.

However, differences still remain between the two ruling authorities on both sides of the Strait regarding how to bring about reunification, and this is the Taipei side's fault. At the same time, while reaffirming that China should be reunited, Taipei also has demanded that "the CPC must practice political democracy and a free economic system; give up the use of force in the Taiwan Strait; and restrain itself from obstructing Taiwan developing its foreign relations under the prerequisite of one China." It is precisely these three restrictive conditions that have served to delay the reunification process.

Delay is no resolution. Time and tide wait for no man. The Chinese nation is now faced with a challenge, as well as an opportunity for development. China's complete reunification has become a major issue facing the Chinese nation in the 1990's, which cannot and should not be evaded. At present, the world political and strategic setup remains unclear, while the trend for economies to move toward regional groups is stepping up. In addition to pushing forward south China's economic cooperation with Hong Kong and Macao, the reform tide on the Chinese mainland also has given impetus to economic cooperation between Fujian and Taiwan. For Taiwan itself, which stands isolated in the middle of the sea, "Taiwan independence" will by no means succeed, and neither is it a permanent solution simply to delay any negotiation. It is an even more unpopular move to prohibit the mainland people from entering Taiwan.

This meeting on Taiwan affairs once again has sent a clear message to the Taiwan authorities, and also has made known to all members of the great family of the Chinese nation the aspiration to pool everyone's wisdom and efforts so as to bring about the reunification of the motherland. People who are concerned about the motherland's reunification will wait and see how the Taiwan authorities stand the test of history.

Article Notes 'Taiwan Independence' Activities

HK1212053090 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 6 Dec 90 p 5

[Article by staff reporter Tao Shian (7118 0013 1344): "Becoming More Open, Organized, and Programmatic—A Brief Analysis of the Characteristics of Recent 'Taiwan Independence' Activities"]

[Text] In recent years, with the Taiwan authorities' tacit consent, tolerance, and indulgence, and with the support of foreign forces, "Taiwan independence" activities on the island have become rampant. In Taiwan's three public official elections held at the end of last year, some people openly put forward the "New Constitution of Taiwan" and the "Basic Law of Taiwan," publicly formed the "New National United Line," and advocated "Taiwan's independence" and the establishment of a "new national assembly" and a "new government." Many candidates, who vigorously advocate "Taiwan's independence," were successfully elected. Since the beginning of the year, the clamor and activities of 'Taiwan independence' advocates on the island have become more open, organized, and programmatic, causing Taiwan's political situation to be less stable, and the development of relations between Taiwan and the mainland inauspicious.

The basic characteristics of recent "Taiwan independence" activities are as follows:

First, From Underground Activities to Social Activities; From Overseas to the Island; Becoming More Open

Since the Kuomintang [KMT] authorities have yielded to views on "Taiwan's independence" and relaxed limitations on people entering and going out of Taiwan, people on the island that are inclined to "Taiwan's independence" have become more and more active; and the number of people on the island that sympathize with, support, and even openly participate in "Taiwan independence" activities has obviously increased. At the "National Affairs Conference" jointly convened by the KMT and the Democratic Progress Party [DPP] in early July, various separatist views were spread such as "one country, two governments," "one nation, two countries," "the separation of sovereignty and the ruling power," and "Taiwan's sovereignty belongs to the people of Taiwan." At the end of July, the "Association of North American Taiwanese Professors [ANATP]," which was approved by the Taiwan authorities and which advocates "Taiwan's independence," convened its 10th annual meeting in Taipei. At the meeting, they openly put forward the "political suggestions" of "Taiwan's independence" and "two countries, two governments"; and some KMT high-ranking government officials even attended and sent their congratulations.

In order to match the open "Taiwan independence" activities carried out by "Taiwan independence" forces on the island, overseas "Taiwan independence" activists have gradually sneaked into the island. Following in the

footsteps of Li Hsien-jung, Chen Wan-chen, Luo Yi-shih, and Kuo Pei-hung, Li Ying-yuan, chairman of the ANATP in America, also quietly returned to Taiwan this July. In the very early morning of 10 October, some "Taiwan independence" advocates posted 1,500 bills in Taipei's main streets and public places, in which were written "Welcome Home to Settle Down Li Ying-yuan, Support the Return of the Taiwan Independence Alliance." Moreover, banners of the "Taiwan Independence Alliance" appeared in the streets of Taipei for the first time.

On 26 October, the underground journal "TAIWAN LUNHSIEN PAO" [Taiwan's Fall] was distributed and passed around in the streets of Taipei. It used especially large, arrogantly worded characters to call for the founding of the "Nation of Taiwan."

In Taiwan's "Legislative Yuan," people also challenged the KMT authorities by continually making appeals that mainly called for "Taiwan to obtain independence." On 19 June, a certain DPP "legislative councillor" delivered a speech, calling on the authorities to "make allowances for" the "Taiwan independence" view. To one's astonishment, high-ranking government officials, who were seated, agreed that they would "treat the matter discreetly."

On 16 October, DPP "legislative councillor" Liu Wen-hsiung and eleven others motioned a proposal requesting the "Legislative Yuan" to pass the resolution that the "sovereignty of Taiwan's territories does not belong to the PRC." On 19 October, a DPP "legislative councillor" put questions to Taiwan's Administrative authorities, advocated the "independence of Taiwan's sovereignty," and called on the authorities to declare Taiwan's independence in the name of the "Republic of Taiwan." Some "legislative councillors" who did not consent to "Taiwan's independence" also raised a hubbub. "Legislative councillor" Wu Yung-hsiung even called on "Taiwan independence" advocates to first overthrow the CPC regime." In this way, their wild arrogance was reflected in what they said.

The "Taiwan independence" advocacy and activities on the island have become more and more open, and are becoming more and more acute. And the center of "Taiwan independence" activity also has moved to the island from overseas.

Second, Overseas "Taiwan Independence" Organizations and "Taiwan Independence" Forces on the Island Join Hands to Step Up "Taiwan Independence" Activities From Words to Action; These Activities Are Becoming More Organized and More Turned Into Action

The fact that "Taiwan independence" activities on the island are becoming more and more open offers conditions for overseas "Taiwan independence" organizations to "move the center of activity from overseas to the island" and to merge with "Taiwan independence"

forces on the island. From 1 to 3 June, "Taiwan independence" organizations on the island and from overseas held the "Symposium on Taiwan's Future" in Los Angeles, the United States. The text of the resolution passed at the symposium says that "Taiwan's sovereignty and territories belong, in their entirety, to the people of Taiwan." It advocates that "they will unite and found a new and independent nation." Since the "Taiwan Independence Alliance," the headquarters of which are located in the United States, used to take "radical" means, it could only expand overseas over the past 30-odd years. Recently, it has taken "moderate" means to "resolutely profess the faith of obtaining independence and finish the mission of founding a nation for Taiwan." It is vigorously carrying out the plan for their return to Taiwan. At the end of June, a responsible person of the "Taiwan Independence Alliance" headquarters in the United States said: We will, at any cost, officially establish a strongpoint in Taiwan by the end of next year. At the end of September, we will arrange to send some members to Taiwan and establish cooperative relations with "Taiwan independence" forces on the island. Chang Tsan-hung, head of the "Taiwan Nation-Founding Committee" confirmed on 3 June that there are already some secret "Taiwan Independence Alliance" members on the island, and that they serve as government officials and are in the military. These people will make known their identity before the "Taiwan Independence Alliance" returns to Taiwan, and make known its Taiwan branch.

This not only helps the growth of the separatists' forces on the island, but also steps up "Taiwan independence" activities on the island. Moreover, this also has enlarged the space for "Taiwan independence" organizations' activities. This past April, with the KMT's tacit consent, some people formed the "New National Alliance" in Taipei, which is aimed at founding a "new and independent nation." In early June, the Alliance decided to cooperate with other "Taiwan independence" elements, and set up 51 branch organizations in Taiwan so that they can sow the seeds of "Taiwan independence," vigorously promote the "founding of a new nation." They have also selected bases, arranged for training, and selected highly educated people as the backbone for further training so that they can participate in "public official" elections in the future. In this way, they will be able to obtain political power by peaceful means.

In the past two months, "Taiwan independence" organizations and separatist forces on the island have been energetically forming an alliance. The "Taiwan International Relations Foundation," "Taiwan International Relations Institute," "Hsu Hsin-leung's Office," "Overseas Association of Democratic Movements," "Taiwan Independence Alliance," "New Trend," "New National Alliance," "Overseas Constitution-Making Movement Committee," "New Constitution Conference," "Referendum Promotion Association," and "Taiwanese Public Affairs Association" are vigorously collaborating in an attempt to step up separatist activities. This has certainly drawn people's attention.

In early November, some DPP leaders and the "Taiwan's Public Affairs Association" jointly launched a campaign directed at obtaining "Taiwan's independence," "reinstating Taiwan in the United Nations, and deciding Taiwan's future by referendum." On 14 November, some DPP leaders even decided to form the "Taiwan's Sovereignty and Independence Movement Committee," thus changing "Taiwan independence" activities from words into action. This makes the "Taiwan independence" activities on the island more organized and more turned into action.

Third, Scattered "Taiwan Independence" Views Give Rise to Systematic "Taiwan Independence" Advocacy; Individual "Speeches" and Appeals Have Developed Into A Corporate Propaganda System; "Taiwan Independence" Activities Have Become More Programmatic

This trend was demonstrated in Taiwan's three public official elections at the end of last year. At that time, some people put forward 24 political suggestions and appeals for the "founding of an oriental Switzerland in Taiwan." The "New Nation Movement" also put forward four suggestions for realizing "Taiwan's independence." Others even worked out the "Draft Constitution of the Republic of Taiwan."

Since the beginning of the year, this trend has become more and more prevalent. In order to obtain a "legal" status, in mapping out this kind of programmatic view, separatist forces on the island have changed its previous direct proposals and use rather roundabout wording, which is more deceptive and provocative.

In June, in the "Democratic Charter" was proposed by some DPP members. They even maintained that Taiwan and the mainland should respect each other's sovereignty and ruling powers, and that Taiwan and "China" will handle their mutual affairs in compliance with international law and their previous conventional practice. In this way, they have substantially changed the relations between Taiwan and the mainland into those between "China and Taiwan." This view, which is in fact "Taiwan independence" advocacy in disguise, found its way into the "National Affairs Conference." Under the instigation of some "Taiwan independence" advocates within Taiwan's DPP, the DPP even passed the resolution at the party's second plenum held on 7 October saying that Taiwan's "actual sovereignty does not include mainland China." Although it avoided using words like "Taiwan's independence," and although it meticulously put the word "actual" before the word "sovereignty" so as to confuse and deceive people, it has difficulty concealing its intention of striving for "Taiwan's independence." The fact that some DPP leaders use the resolution as the goal of their political struggles causes the party to be politically disoriented.

As some views on the island say, the "argument for Taiwan's sovereignty" as passed at the session of a legitimate political party shows the goal of "Taiwan

independence" advocates, and the struggle between Taiwan's view on "China's reunification" and that on "China's independence" has evolved from secret "confrontation" to open "duel." This is actually rather perplexing as it has never occurred before. On 25 October, a Taiwan newspaper published the "Law Governing Taiwan's Relations With Mainland China" drafted by the DPP's "New National Assembly Research Office." The "drafted law" has put the "Taiwan independence" concept, for the first time, in Taiwan's public policies in an attempt to separate Taiwan from mainland China permanently by means of "one Taiwan and one China." This is a legal process for the "argument for actual sovereignty."

On 29 November, the party group of the DPP "Legislative Yuan" put forward another draft law, namely the draft "Law Governing the Relations Between Taiwan and Mainland China," by which it considers mainland China a hostile and threatening "prospective foreign country," and sticks to the viewpoint of "actual sovereignty." In this way, they are making room for separatist appeals.

These programmatic "Taiwan independence" suggestions are widely spread on the island. They have exceeded the authorities' "legal" limitations, gathered separatist forces, disseminated the "Taiwan independence" concept, and given impetus to the "Taiwan independence" view, thus ushering in a more harmful stage for the island's "Taiwan independence" activities.

'Unification Committee' Purpose Analyzed

HK1312054590 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 7 Dec 90 p 5

[Article by Li Shuiwang (2621 3055 2489): "What Is the Taiwan Authorities' Intention in Establishing the 'State Unification Committee?'"]

[Text] On 7 October the Taiwan "presidential palace" formed what it calls the "State Unification Committee." The establishment of this committee has aroused concern in various circles at a time when changes are taking place in relations between the two sides of the strait.

According to press reports in Taiwan, the "State Unification Committee" was established on the proposal of the Taiwan supreme authorities. On 17 August a spokesman for the Taiwan "presidential palace" formally disclosed that to obtain the support of different circles, the Taiwan supreme authorities invited veteran Kuomintang members, important party and government figures, members of opposition parties, and personages without party affiliation to discussions, during which the reasons for setting up the committee were explained. At the same time they were busy making preparations for the formation of the committee. It took only 50 days to establish the committee. So people think their decision was a little hasty. What is the purpose of the Taiwan authorities in establishing this committee? The Taiwan authorities explained that the purpose is to bring about a

consensus in popular feelings, work out a major policy, and blaze a new trail in reunification. The Kuomintang press media also asserted that the establishment of the committee portrays the Taiwan authorities' "sincerity and determination in promoting reunification," but there also are different comments. They are mainly as follows:

1. The purpose is to maintain a balance with the "state affairs meeting," which was held from 28 June to 4 July this year. Two points have evoked criticism. First, the meeting lauded the "free airing of views and suggestions and the establishment of a consensus," but people favoring reunification were excluded from the meeting and only those favoring independence were invited, including "Taiwan independence" elements and their leader, Peng Ming-ming. Second, the meeting evaded the "reunification of the country." Originally the Taiwan authorities wished to enter the two topics of "constitutional reform" and the "country's reunification" in the agenda of the meeting, but some Democratic Progress Party members strongly objected to this motion. They said if the "country's reunification" was entered in the agenda, they would withdraw from the "preparatory state affairs meeting." The Kuomintang authorities made a concession on this by allowing the discussion of five topics instead of two and changing the "country's reunification" to the "policy toward the mainland and relations between both sides." Therefore, many people on the island and overseas commented that the "state affairs meeting" was a "meeting that tolerated Taiwan independence." They pointed out that the Taiwan authorities set up the "State Unification Committee" not long after the "state affairs meeting" for the purpose of showing a certain attitude on reunification so as to maintain a balance with the "state affairs committee."

2. The purpose is to control the power to formulate the policy toward the mainland. The power to formulate Taiwan policy toward the mainland always rests with the Kuomintang Standing Committee. It is said that the Kuomintang authorities find it hard to control the situation because they are contained by mainland-born veteran officials and the "minor-stream bloc." These comments pointed out that the purpose of establishing the "State Unification Committee" is to turn this ultra-party organization into the "supreme policymaking institution," to lower the policymaking function of the Standing Committee, and to allow the "presidential palace" to centralize the power to formulate Taiwan's mainland policy. After the appointment of the new "Executive Branch" president in early June, the relations between the "palace" and the "branch" became delicate and they faced some contradictions in their "cooperation." An example is their controversy over the power to formulate Taiwan's mainland policy. According to Taiwan public opinion, the Kuomintang's purpose is to weaken the role and position of the subsequently formed "Mainland Committee of the Executive Branch."

3. The purpose is to dispel misgivings in Taiwan and abroad about "Taiwan independence." Public opinion on the island and overseas indicates that since they came to power the new Kuomintang authorities have pursued the policy of an "independent Taiwan" and tolerated the "Taiwan independence" movement. As a result, "Taiwan independence" forces are expanding rapidly and the call for "Taiwan independence" is spreading. This has met with criticism from some mainland-born officials and "pro-unification" activists. The "minor-stream bloc" also has criticized this trend, thus "damaging" the image of the Kuomintang authorities. In addition, the Taiwan authorities have frequently come under the mainland's criticism for pursuing an "independent Taiwan" policy, therefore they are quite "perturbed." The Taiwan authorities decided to form the "State Unification Committee" for the purpose of "clearing" misgivings about their tendency toward an "independent Taiwan." On the one hand, they wish to remove people's impression that the Taiwan authorities are pursuing an "independent Taiwan" policy and tolerating "Taiwan independence." This is to alleviate their internal pressure. On the other hand, they are trying to dispel the mainland's misgivings.

In addition, some other people commented that the "intention of the Taiwan authorities in setting up the 'State Unification Committee' is to unify Taiwan itself and stabilize the relations between the two sides of the strait, instead of reunifying China."

Different people have different comments on the role of the committee. Many comments pointed out that the "State Unification Committee" "is more significant in name than in practical role."

People have noted that the Taiwan authorities have in recent months made a lot of remarks on "one China" and "China's reunification." They asserted that "Taiwan and the mainland are inseparable territories of China [as published], all Chinese are compatriots with flesh-and-blood relations;" the purpose of setting up the "State Unification Committee" is to make it clear that Taiwan independence is impossible. On 23 November Chiu Chin-yi, deputy secretary general and spokesman for the Taiwan "presidential palace" and convener of the "State Unification Committee," said: "The committee will work out a state unification program for the purpose of reunifying the country." He added: In the course of reunifying the country, "talks with the CPC are inevitable;" the "State Unification Committee" research group is collecting information about previous talks with the CPC "to study tactics and skills concerning talks with the CPC."

Some comments pointed out that this "also indicates Taiwan's flexibility." In the meantime, however, the Taiwan authorities recently claimed that "reunification will be a prolonged process," "it cannot be achieved immediately," "there should be no haste in this respect," and "there should be no wishful thinking." While admitting the "inevitability of talks with the CPC," Chiu

Chin-yi also stressed that the Taiwan authorities "have not changed the three no's policy," "one should not hope for immediate talks on the settlement of the problems between the two sides," "there should be contacts or dialogue before talks can be held," and "reunification will be a prolonged process." While making these contradictory remarks, the Taiwan authorities also have taken all sorts of administrative and legal measures to lower the temperature of "mainland fever" in Taiwan. They have "standardized" and controlled trade, economic, cultural, academic, and sports exchanges between the two sides in an attempt to restrict these exchanges within "a civilian scope, one-way direction, and indirect contacts." As a matter of fact, this is setting obstacles to the development of relations between the two sides and negating the Taiwan authorities' "efforts to reunify the country."

As the old saying goes, "listen to what one says and watch what he does." People wish to know whether the Taiwan authorities' intention in setting up the "State Unification Committee" is to "seek reunification" or just to make some symbolic postures to cope with public opinion or to play tricks under the pretext of "working out a reunification program, as well as tactics and skills for talks" with the aim of delaying the process of talks on reunification by proposing something unacceptable to the mainland and setting obstacles to such talks.

Earthquake Occurs in Sea Off Taiwan

OW1412084990 Beijing XINHUA in English
0834 GMT 14 Dec 90

[Text] Beijing, December 14 (XINHUA)—An earthquake registering 7.1 on the Richter scale occurred at 3:50 A.M. (Beijing time) today in the sea east of Hualien, Taiwan Province, according to China's seismological network.

The epicenter of the earthquake is latitude 24.1 degrees north and longitude 121.8 degrees east.

Another earthquake measuring 6.3 on the Richter scale was recorded at 7:19 A.M. and aftershocks above 5.0 have ensued today.

On December 13 at 11:01 A.M. an earthquake registering 6.7 on the Richter scale shook the area.

The earthquake was felt along the coast of Fujian Province.

More Taiwan People Visit Mainland

OW1412085690 Beijing XINHUA in English
0819 GMT 14 Dec 90

[Text] Beijing, December 14 (XINHUA)—A total of 1.789 million Taiwan people visited the mainland between November 1987 and October 1990, according to a recent seminar held in Suzhou City, Jiangsu Province.

In the first 10 months of this year the Taiwan visitors to the mainland numbered 799,000, compared to 15,600 in the whole year of 1986, the "PEOPLE'S DAILY" (OVERSEAS EDITION) reported Thursday.

At the seminar sponsored by the exit and entry management bureau of the Ministry of Public Security, an official from the bureau said that since May 1988 the number of Taiwan tourists and businessmen coming to the mainland has been increasing. This year the number of Taiwanese who came to the mainland to visit their relatives accounted for only five percent while Taiwanese tourists accounted for 92 percent.

In addition, the number of Taiwan visitors to the mainland who were born after the founding of the People's Republic in 1949 has increased, now accounting for 64 percent of the total from only 26 percent only a few years ago.

However, the number of mainland people who went to Taiwan to visit their relatives or attend funerals between January 1988 and October 1990 was only 7,000, due to various obstacles imposed by the Taiwan authorities, the official said.

CPC's Taiwan Affairs Conference Criticized

OW1412045090 Taipei Domestic Service
in Mandarin 2300 GMT 12 Dec 90

[Text] The CPC Central Committee's working meeting on Taiwan affairs has ended in Peking. The meeting discussed ways to bring about negotiations between the Kuomintang [KMT] and the CPC, as well as three direct exchanges. The meeting also identified the 1990's as an important period to promote the reunification of the motherland, and characterized work on Taiwan as the major task of the whole party and nation—an indication that the Chinese Communists hope to realize unification with Taiwan before the year 2000.

A communique of the meeting released by the Chinese Communists' XINHUA NEWS AGENCY on 12 December reaffirmed the hope of the Chinese Communists that the Taiwan authorities and people will realize the reunification. They said that the KMT and the CPC should start contacts and negotiations as soon as possible; that in the process of negotiations other political parties, organizations, and representative personages on the two sides should be allowed to participate; and that negotiations can begin at a high level or be started from a lower level.

Commenting on the statement on expediting peaceful reunification, made by the CPC Central Committee's national work meeting on Taiwan affairs, Cheng Hsin-shiung, ruling party spokesman and director of the KMT Central Committee Department of Cultural Affairs, said: There is nothing new in the Chinese Communists' renewed statement urging early contacts and negotiations between the two parties. On the question of expanding exchanges across the straits, the problem does not lie with our side, but with the Chinese Communists. He emphasized: Over the past three years, the government of the Republic of China has done a lot concerning the question of exchanges across the straits. However, the Chinese Communists have made no changes in their policy toward Taiwan since 1983. If the Chinese Communists are really serious about furthering exchanges across the straits, they should calmly, thoroughly, and realistically review their policy toward Taiwan.

After reviewing the related XINHUA report, Director Cheng said: In the development of relations across the straits over the last three years and more, we have done more than the Chinese Communists to promote exchanges across the straits. Since Mr. Ching-kuo lifted the restrictions on visits by relatives to the mainland, our side has been working every month and every year toward the development of opening to the mainland. The achievements in promoting such exchanges are the results of our pursued policies of political democratization and economic liberalization. He maintained: On the other hand, since 1983, when Teng Hsiao-ping [Deng Xiaoping] disclosed the concept of one country two systems to Professor Yang Li-yi, the Chinese Communists have not made any changes, either in their policy toward Taiwan, or in their system, or in their adherence

to the four principles. These are the biggest obstacles to the promotion of further exchanges.

Spokesman Reiterates Unification Conditions

OW1412090790 Taipei CNA in English 1544 GMT
13 Dec 90

[Text] Taipei, Dec. 13 (CNA)—Peking's timetable for China's unification is merely wishful thinking and it (?violates) the basic principle of "resolving the issue by peaceful means," government spokesman Shaw Yu-ming said Thursday.

Shaw, (?commenting) on a Peking statement, released Wednesday at the conclusion of a closed-door meeting on the mainland-Taiwan relations, that the communist regime hoped to "complete [words indistinct]" in the (?1990s).

The director-general of the Government Information Office reiterated that China should be unified under "freedom, democracy and prosperity."

Shaw stressed that the Republic of China will not negotiate with Peking on "national unification" until it adopts democracy and a free market system, renounces its attempts to take Taiwan by force and stops obstructing Taipei's efforts to expand foreign relations on the basis of a one-China policy.

"Until Peking accepts these conditions," Shaw said, "our 'three no's' policy will never change."

The "three no's" are "no contacts, no negotiations and no compromises," a position the government has held since it moved to Taiwan in 1949.

Hao Comments on Official Mainland Contacts

OW1412035290 Taipei International Service
in English 0200 GMT 13 Dec 90

[Text] Premier Hao Po-tsun told the media in Taipei on Tuesday evening that Taiwan will begin official contacts with Peking only after the mainland authorities have accepted the three conditions proposed by the government here. But contacts with Peking officials will still be made possible through the Foundations for Exchanges Across the Taiwan Strait.

Hao made the remarks in his second news conference since taking office in June. Hao said that in the six months he has been in office, some success has been achieved in restoring social order, promoting various construction projects, and dealing with the underground economy. Further efforts will continue to be based on this ground work, he said.

Hao declined to take sole credit for the achievements, saying his entire cabinet staff has brought into full play a team spirit to strive towards the common goal. Among a variety of topics, Hao dismissed any presidential aspiration. He said he worries about whether he can do a great

job for the cabinet. If everybody is satisfied with his performance as a premier, he said, he will be satisfied too.

About 120 local and foreign reporters attended Hao's news conference.

Li Hopes for U.S. Attention to Strait Stability

*OW1412084790 Taipei CNA in English 1548 GMT
13 Dec 90*

[Text] Taipei, Dec. 13 (CNA)—President Li Teng-hui received U.S. Congressmen Gerald Solomon (R-NY) and James Courter (R-NJ) at the president office Thursday morning.

The president and the congressmen exchanged views on situation across the Taiwan Strait. President Li expressed the hope that the United States will attach importance to the stability on the Taiwan Strait, and support the Republic of China's [ROC] efforts to join international organizations.

President Li stressed that the top priority for the government is to promote democracy, and the stability and security of Taiwan are essential to realize this goal.

He thanked Congressmen Solomon and Courter for their support and concern for the ROC over the years.

Congressman Solomon said he was supportive of ROC efforts to promote democracy and to gradually open toward mainland China.

Rep. Courter noted that U.S. Congress has always been concerned about developments along the Taiwan Strait and he is sure that China will finally be unified on the [words indistinct] freedom and democracy.

Surplus in Trade With Mainland for 1990

*OW1412081290 Taipei CNA in English 1532 GMT
13 Dec 90*

[Text] Taipei, Dec. 13 (CNA)—Trade between the two sides of the Taiwan Strait this year may not pass the 4-billion-U.S.-dollar level, the Board of Foreign Trade (BOFT) (?said) Thursday.

BOFT estimated that the Republic of China will enjoy a 295 billion U.S. dollar surplus in trade with the mainland in 1990.

According to Hong Kong customs statistics, trade between Taiwan and mainland China during the first nine months of 1990 amounted to 2.8 billion U.S. dollars, up 6.75 percent over the same period of last year.

BOFT said mainland China's "export restriction" policy has made it difficult for ROC [Republic of China] manufacturers to import raw materials from the mainland. This explains why indirect imports from the mainland are not growing, it noted.

Furthermore, BOFT said, cross-strait trade has been cooling [words indistinct] an upsurge of Taiwan business investments on the mainland.

Before cross-strait relations improve, which hinges on mainland authorities making a good-will response to Taiwan, it is unlikely to (?expect) trade between the two sides will increase rapidly, BOFT concluded.

Foreign Ministry Studies Economic Aid to USSR

*OW1412080490 Taipei CNA in English 1504 GMT
13 Dec 90*

[Text] Taipei, Dec. 13 (CNA)—The Ministry of Foreign Affairs is studying whether to provide economic assistance to the Soviet Union, whose economic deterioration has reportedly led to severe food shortages, ministry spokesman Huang Hsin-pi said Thursday.

Huang was responding to a proposal by the Institute for National Policy Research (INPR), a private ROC [Republic of China] think tank, that the government use surplus food to aid the USSR.

Huang said Moscow had not approached the government about the matter, so his ministry would have to carefully (?study the issue before) making any decision.

Economic Affairs Minister Vincent Siew said he would agree to the proposal if the Soviets ask for aid from the Republic of China.

Siew has proposed developing barter trade with the Soviet Union, which [words indistinct] of his ministry's international economic cooperation development fund.

Officials at the Council of Agriculture (COA) said if the government decides to give food aid to the Soviet Union, (?there) should be no problem since the domestic rice-stock far exceeds actual needs.

Tu [name indistinct], deputy director of the COA Department of Food, said the country currently has over one million (?tons) of rice in storage, far above the three month safety level of 400,000 tons. "We have the ability to use food as foreign aid," he said.

Economic Meeting With Japan Concludes

*OW1412044990 Taipei CNA in English 1358 GMT
13 Dec 90*

[Text] Tokyo, Dec. 13 (CNA)—The 18th Sino-Japanese East Asian Economic Conference concluded here Thursday after issuing a joint statement.

The two sides pledged to help the Republic of China [ROC] improve its industrial structure as a way to resolve the trade imbalance between the two countries.

The ROC suffered a deficit of 7 billion US dollars in its trade with Japan last year. The figure is to soar to 8 billion US dollars this year.

The ROC delegation asked the Japanese side to help the ROC upgrade its levels in quality control and industrial design, to help the development of the component parts industry, and to provide market information.

The Japanese side agreed to expand technical cooperation with the ROC and will organize a study mission to Taiwan next spring.

The two sides also agreed to cooperate in making joint investments in other Asian countries.

During the conference, the ROC side reported the ROC's plan to set up an international finance center and other related measures to promote financial liberalization and internationalization. The Japanese side agreed to make interchanges with the ROC in these fields.

In the tourism area, both sides agreed to further expand interflows and to cooperate in expanding air transport capability, in promoting the development of international-class tourist zones, and in beautification of cities.

They also agreed to ask the governments of both sides to approve the Taipei-Nagoya route for regular flight service rather than a chartered flight route.

The conference was held at the Capital Tokyo Hotel here. The 120-member ROC delegation was headed by Ku Chen-fu, chairman of the Chinese Association of Industry and Commerce. The 140-member Japanese delegation was led by Norishige Hasegawa, vice chairman of the Federation of Economic Organizations (Keidanren).

The next conference will be held in Taiwan next year.

Li Meets South African Agricultural Minister

*OW1212184190 Taipei CNA in English 1536 GMT
12 Dec 90*

[Text] Taipei, Dec. 12 (CNA)—President Li Teng-hui Tuesday met South African Agriculture Minister Jacob

de Villiers to exchange opinions on agricultural cooperation between the two countries.

De Villiers conveyed the personal greetings of South African President F.W. de Klerk to Li. The Republic of China head of state asked the minister to send his heartfelt greetings to his South African counterpart.

Li told De Villiers that South Africa, with its fertile land and other natural conditions favorable for farming, has excellent potential in agricultural development.

"We are willing to share with the South African people our successful agricultural reform experience on Taiwan," the president said.

De Villiers said he hoped to take advantage of his visit to gain a better understanding of the Republic of China's agricultural achievements. He agreed that the Taiwan experience in agricultural reform can be a model for his country to emulate.

'Notebook-Sized' Computers To Enter Market

*OW1012191390 Taipei CNA in English 1532 GMT
10 Dec 90*

[Text] Taipei, Dec. 10 (CNA)—The first notebook-sized computers made by the Republic of China manufacturers will be on the market in January, it was announced Monday.

The spokesman for USIT Taiwan, Ltd. said the latest information product will go on sale next month for about 55,000 new Taiwan dollars (2,000 US dollars) per unit.

The notebook-sized computer is one of the hottest items being displayed during the information month information product show which concluded its 10-day exhibition in Taipei Monday and will now move to central and southern Taiwan until Jan. 1.

Hong Kong

Personnel Changes at Local XINHUA Branch

HK3011150190 Hong Kong TANGTAI in Chinese
No 52, 24 Nov 90 pp 7-9

[Article by Peng Chi-hai (1756 1807 3189): "XINHUA Hong Kong Branch Personnel Changes Over the Past Year"]

[Text] TANGTAI note: Since the CPC convened the Hong Kong and Macao Work Conference in Beijing this September, it has already put into practice its policies and work for Hong Kong and Macao. As a functioning unit implementing the CPC's policies for Hong Kong and Macao, the XINHUA Hong Kong branch, after experiencing the changes since the "4 June," gradually has become stabilized. If one is acquainted with its changes, one will know more about the recent situation of the CPC's policies for Hong Kong and Macao. This article will give an introduction to the latest organization structure and overall policy of the XINHUA Hong Kong branch. It contains information already made known or to be made known soon, and is aimed at improving Hong Kong readers' familiarity with this organization, set up in Hong Kong by the CPC, which concerns their personal interests. [end TANGTAI note]

The personnel changes in the XINHUA Hong Kong branch since the "4 June" have three major characteristics:

1. In light of Hong Kong's actual situation, the CPC has been making personnel changes gradually this time, compared to the previous changes of groups of people. Except for the resignations or transfers of former branch Director Xu Jiatun, former Deputy Director She Mengxiao, and XINHUA Macao branch Director Zhou Ding, no change has been made to any personnel at or above the level of deputy secretary general. (Xu Jiatun fled to the United States in order to escape possible political persecution. The transfers of She Mengxiao and Zhou Ding were made because of their relationships with Xu Jiatun. And since She Mengxiao was in charge of sensitive intelligence work while in Hong Kong, his transfer was made in a hurry.)

Gradual Personnel Changes

Informed sources said: The CPC is making gradual personnel changes because, in the first place, it does not want to cause a great shock (this is also the opinion of the Hong Kong Affairs Office and the Macao Affairs Office), and because Zhou Nan wishes any personnel changes to be made after he is more familiar with Hong Kong. Since Rong Kang is conversant with Hong Kong and Macao affairs, Zhou Nan has invited him to Hong Kong in the hope that he will help him strengthen internal and external administration. Regarding personnel changes, Rong Kang also favors a gradual process, by which suitable personnel are to be transferred into Hong Kong from the mainland and are to work for a relatively long time with persons to be transferred back. This is good for

their work arrangements, to a certain degree. Moreover, this creates the image that the changes are natural. Therefore, informed sources said that the actual personnel changes are just beginning. Judging from the specific area of work each person is in charge of, we can see that Wang Pinqing (in charge of economic work, and especially Chinese-funded organizations), Zheng Guoxiong (in charge of mass work, and probably to take charge of personnel administration in the future), and Qin Wenjun (in charge of propaganda work), who is to start work soon, have virtually taken or are going to take the positions of She Mengxiao, Zheng Hua, and Zhang Junsheng. Other new personnel will arrive in Hong Kong gradually, while the ones to be transferred back will be sent back in groups. Therefore, we say that the personnel changes are actually beginning slowly.

The Proportion of Local Cadres Decreases

2. During the process of personnel changes, the number of cadres from the mainland gradually is increasing, while the proportion of local cadres has decreased from two-thirds of the total number of personnel, during Xu Jiatun's tenure, to approximately one-third. It is estimated that the proportion of local cadres will continue to decrease in the future. There are two reasons for such a decrease: First, local cadres felt unhappy, so they left on their own initiative. Second, the CPC never had sufficient confidence in local cadres, and it has had even less since "4 June." At present, of the cadres at and above department deputy head level in the XINHUA Hong Kong branch, only about 11 are local cadres, representing only about 24 percent of the total number at and above the department deputy head level. There are only five local cadres at or above deputy secretary general level, namely: Mao Junnian, Wang Rudeng, Li Weiting, Huang Wenfang, and Chen Fengying. Although Mao Junnian is deputy director, he does not take charge of the work of any nucleus groups.

Improve the Cadre System

3. During the process of changing personnel, Zhou Nan wants to improve some systems. For example, he reiterated that cadres from the mainland normally cannot serve in Hong Kong for more than five years, and that those with permission cannot serve more than seven years lest they become Hong Kong residents after staying seven years. Moreover, no cadre, except those at and above the level of department head, can bring his wife from the mainland, thus curbing the trend of cadres bringing their wives to Hong Kong through their connections (when serving in the XINHUA Hong Kong branch, some cadres arrange jobs for their wives or relatives in other Chinese-funded organizations in Hong Kong). This method has some advantages, but the result can only be seen in the future.

Over the past year, there have been many changes in the structure and personnel of the XINHUA Hong Kong branch, and new changes are expected in the near future.

In order to enable readers to have a better understanding, we will explain the changes under separate items (please also refer to the accompanying tables).

The Number of Deputy Directors Has Been Increased to Eight

I. Structure

1. The number of deputy directors has been increased to eight, and their separate duties are as follows: Zheng Hua (in charge of personnel administration, and takes care of all other tasks as well; in fact, he is the number-one deputy director); Qiao Zonghuai (in charge of foreign and Sino-British affairs); Zhang Junsheng (in charge of propaganda work); Mao Junnian (in charge of cultural and educational work); Pang Zengxi (in charge of economic work, especially Hong Kong's domestic economy); Wang Pingqing (former vice minister at the Ministry of Foreign Economic Relations and Trade, and in charge of economic work, especially foreign economic activities and Chinese-funded organizations); Zheng Guoxiong (former Guangdong deputy secretary, and in charge of mass work for workers, young people, women, etc.); and Qin Wenjun, who has not yet started work (former secretary of Shenzhen city, and in charge of propaganda work). Judging by the above job arrangements, changes are taking place in some positions. Of the eight deputy directors mentioned above, one has taken the job of She Mengxiao. [sentence as published]

The Adviser System Is Instituted For the First Time

2. By instituting the adviser system, Rong Kang, director of two departments under the State Council's Hong Kong and Macao Affairs Office, has been transferred to Hong Kong as an adviser. Functionally speaking, Rong Kang can participate in any of the group meetings and can report directly to Zhou Nan, and his position is equivalent to a deputy director. However, unlike a deputy director, he does not have the right to make decisions (therefore, we put a dotted line to his name in the accompanying table to show his special role). Since he is conversant with the Hong Kong and Macao situations, he will be able to help promote the XINHUA Hong Kong branch's work.

The Branch Director Assistant's Role Strengthened

3. The role of the branch director assistant has been strengthened. During Xu Jiatun's time, this position mainly handled local cadre promotions, and did not confer substantial powers. However, according to the informed sources, the branch director assistant has powers equivalent to those of a deputy secretary general, and will take charge of some departments. Recent information reveals that Li Weiting, branch deputy secretary general and director of the Central office, will probably be moved to the position of branch director assistant, and then transferred back to the XINHUA branch building. He also will replace Hu Hui as head of the Social Work Department. Branch director assistant Wang Rudeng will once again take charge of the Central

office (of the three XINHUA district offices, the Central office is the most important). Many people in the Central office have heard about the transfers of Li and Wang already through different channels. This is one of the greatest changes in recent months.

By the way, we want to mention this: The branch director assistant is virtually on the same level as a deputy secretary general, with neither of them being subordinate to the other.

A Little Less Emphasis Placed on Youth Work

4. Of the branch's 15 departments, the Youth Department soon will be merged with the Social Work Department, of which Li Weiting is in charge, thus being reduced to a section. Although there are virtually 14 departments only, the XINHUA branch is not going to tell the public that the Youth Department has been abolished. This arrangement shows that the CPC does not attach as much importance to youth work as it did in the early 1970's. In recent years, in particular, Hong Kong's university and college students have been dissatisfied with the CPC's way of handling things. The CPC also has shifted the focus of its united front work to business circles and political bodies. Therefore, it even does not invite university and college representatives to some activities. In view of this, it is natural that the Youth Department is to be reduced to a section.

Personnel Changes Are Frequent

II. Personnel Changes

1. In addition to the changes among deputy directors mentioned above, another change is that Guo Dongpo is to replace Zhou Ding as director of the XINHUA Macao branch.

2. Former deputy secretary general Zhu Yucheng has been promoted to secretary general, thus taking over She Mengxiao's task. Zhu Yucheng has always been in charge of personnel training, and he himself is a scientific research worker.

3. Former deputy general secretaries Lai Shiyi and Peng Songnian have been relieved of their positions already. Former assistant office manager Xu Zugen has been promoted to deputy secretary general and office manager.

4. Changes among department heads are as follows: Chen Zhesheng takes the position of head of the Economics Department, and Pan Zengxi is relieved of this position. Weng Xinqiao, deputy head of the Cultural and Education Work Department, has been promoted department head, and Mao Junnian has been relieved of this position. Moreover, if Li Weiting is to be transferred to the XINHUA branch building as branch director assistant, he will also take the position of head of the Social Work Department, and current department head Hu Hui will take the position of department deputy head without his former rank being changed.

5. Changes among deputy department heads are as follows: After Cai Guoxi, former deputy director of the Research Office, committed suicide during "4 June," Zhang Xianglin took his position. Luo Yunhai has already resigned from his position as deputy head of the Arts, Literature, and Sports Department, and has returned to the mainland. His place has been taken by Cui Songming. On the other hand, Gu Zhihong has been placed in the Coordination Department (or the United Front Department) as deputy head. Zhang Youyong has been placed in the Foreign Affairs Department as deputy head. The deputy head's position in the Security Department remains vacant.

6. Personnel changes in district offices: Feng Xiasen, former assistant manager in the Central office, has been transferred to a Chinese-funded organization. Former

New Territories office assistant manager Mao Gengnian has been promoted manager.

The Xinlong Company Will Be Closed

Furthermore, there will be changes in some units directly under the XINHUA Hong Kong branch. The most obvious change will be the closing down of the Xinlong Company. The company is currently dismissing employees. This company was set up during Xu Jiatun's tenure and has an office in Beijing. Superficially, it is a trading company. In fact, it is a unit responsible for the reception of XINHUA Hong Kong branch staff returning to Beijing. In addition, in order to strengthen propaganda, the CPC has organized the publication of the monthly magazine "BAUHINIA [ZIJING]." Deputy General Editor Huang Zumin takes the position of "BAUHINIA" director.

Organizational Structure of the XINHUA Hong Kong Branch as at the End of October 1990

	—Guo Dongpo, branch director (namely secretary of the XINHUA Macao Branch Committee) of the XINHUA Macao Branch (namely the Macao Work Committee)	
	—Qin Wenjun, deputy director (position not yet assumed)	
	—Zheng Guoxiong, deputy director	
	—Wang Pinqing, deputy director	
	—Pan Zengxi, deputy director	—Zhu Yucheng, secretary general
Zhou Nan, branch director—		—Li Weiting, deputy secretary general
		—Yang Sheng, deputy secretary general
		—Xu Zugen, deputy secretary general
		—Huang Wenfang, deputy secretary general
	—Tan Fuyun, branch director assistant	
	—Chen Fangying, branch director assistant	
	—Wang Rudeng, branch director assistant	
	—Mao Junnian, deputy director	
	—Zhang Junsheng, deputy director	
	—Qiao Zonghuai, deputy director	
	—Zheng Hua, deputy director	
	•	
	•	
	***Rong Kang, adviser	

[the following is a table of various departments]

|—Xu Zugen, office manager
| |—Li Xiangguo, assistant manager
| |—Dong Bishu, assistant manager
|—Huang Guangyu, head of the Security Department
|—Huang Wenfang, head of the Taiwan Work Department
|—Han Li, head of the Literature, Arts, and Sports Department
|—Chen Yangying, head of the Women Department
| |—Chen Yaqiong, deputy head
| |—Cui Songming, deputy head
|—Weng Xinqiao, head of the Culture & Education Department
| |—Jiang Hua, deputy head
| |—Cai Peiyuan, deputy head
|—Chen Zhesheng, head of the Economics Department
| |—Fan Zhengqiao, deputy head
|—Hu Hui, head of the Social Work Department
| |—Zheng Yonghua, deputy head
|—Zuo Mu, head of the Research Office
| |—Zhang Xianglin, deputy head
|—Ji Shujin, head of the Personnel Department
| |—Chen Fang, deputy head
| | |—Zhuang Yousong, supervisor of the Personnel Section
| | |—Mao Gengnian, head of the New Territories Office
| | |—Chen Wei, deputy head
| | |—Fang Jun, head of the Kowloon Office
| | |—He Jinquan and He Zhenhua, deputy heads
| | |—Li Weiting, head of the Central Office
| | |—Lu Shouxiang, deputy head
|—Ji Shaoxiang, head of the Foreign Affairs Department
| |Situ Qiang and Yang Youyong, deputy heads
|—Zhang Junsheng, head of the Propaganda Department
| |—Wang Fusheng and Sun Nansheng, deputy heads
|—Lin Keping, head of the Coordination Department
| |—Huang Zhichao and Gu Zhihong, deputy heads
|—Wang Rudeng, head of the Youth Department
| |
|—Meng Fang, general editor (news agency)
| |—Yu Hang and Huang Zumin, deputy general editors
| | |(and general editors of the BAUHINIA monthly)

Lu Ping Reiterates Warning on Airport Issue
HK1412023790 Hong Kong SOUTH CHINA
MORNING POST in English 14 Dec 90 pp 1, 5

[By Chris Yeung, Fanny Wong, and Daphne Cheng]

[Text] China yesterday raised new concern over Hong Kong's controversial airport plan, saying it would not allow the future Airport Authority to grow into a too powerful "independent empire".

Senior Chinese official, Mr Lu Ping, yesterday said China would take up the issue with the Hong Kong Government.

"This matter has to be discussed with the Hong Kong Government. It (the Airport Authority) should not become an independent empire," said Mr Lu, the new director of the State Council's Hong Kong and Macao Affairs Office.

He turned his attention to the authority following his spate of criticisms in the past few days over the financial arrangements for the building of the Chek Lap Kok replacement airport.

But the Deputy Secretary of the New Airport Works Division, Mr Rafael Hui Si-yan, said the Airport Authority's powers would be strictly controlled by law.

"It has already been stated that the aim is to set up the Airport Authority by the end of next year or early 1992. There will be detailed legislation defining its powers and responsibilities," Mr Hui said.

His views were backed by Executive Councillors and a member of the Provincial Airport Authority (PAA).

China's latest concern was prompted by repeated attacks by local critics, including the New Hong Kong Alliance, headed by Mr Lo Tak-shing, that the set-up of the PAA was prone to abuses.

It was earlier reported that Mr Lo, a former Executive Councillor, had raised concern over the issue with Chinese officials including the Prime Minister, Mr Li Peng, during a visit to Beijing.

When asked in Guangzhou if China was concerned about the issue, Mr Lu indicated the matter was a subject for future discussion.

The authority proper's membership, which could straddle the 1997 changeover of sovereignty, would have to be discussed by both sides, he said.

But Mr Lu said the matter was unlikely to be touched upon in the second round of talks between Chinese experts and Hong Kong officials in Beijing.

Hong Kong officials have proposed that the talks be held from January 11 to 13 and are awaiting China's reply.

Beijing is understood to prefer holding the session as soon as this month.

Unlike the first round of talks which lasted more than a fortnight, the upcoming session would be shorter as the agenda was expected to be confined to the scheme's financial aspects.

Instead of sending a full team of policy secretaries to Beijing, the Hong Kong delegation is expected to include Mr Hui, the Secretary for the Treasury Mr Hamish Macleod and Political Adviser Mr William Ehrman.

The discussion is expected to be based on the data provided by Hong Kong officials in the October sessions.

These include revised estimates on the cost of the airport core projects, the level of public sector investment in the plan and its implication on the Government's financial reserves and the Exchange Fund.

The session will pave the way for more talks at more senior levels between the Governor, Sir David Wilson,

and top Beijing officials in charge of Hong Kong affairs during his China visit in January.

Sir David will visit Beijing and Tianjin from January 21 to 25.

Mr Lu's recent fierce criticisms over the project's funding and Hong Kong officials' rebuttal have aroused controversy in the territory.

However, speaking on two other occasions later yesterday, Mr Lu apparently tried to cool down the dispute by distancing himself from the argument over the Airport Authority's power and membership.

"We are not saying that it is already an independent empire. Somebody has expressed worries that the authority might become an independent empire. Even the future Special Administrative Region might not be able to supervise it. It will be given many independent powers. These are the problems," he said.

He added later they wanted to discuss with the Government on how to make the authority "more reasonable", given that there had been such concern in Hong Kong.

"There are many people in Hong Kong who have expressed worries about it. We want to find out what is behind it. It involves a lot of problems," he said.

Mr Lu, however, refused to go into details on the dispute.

He said: "We should not discuss problems through news media. It is no good to have a tit-for-tat debate."

Mr Lu, who is attending a Macao Basic Law Drafting Committee meeting, later quietly slipped away from a side entrance of the conference room before and after meetings to avoid reporters.

A member of the PAA, legislator Mr Ho Sai-chu, refuted Mr Lu's view.

He believed when the authority proper was set up, it would not be as powerful as some people thought.

"I am a PAA member and I do not see any problems in its operation. Funding, for example, has to be approved by the Legislative Council's Finance Committee. We cannot just ask the Government for funds. Every request has to be explained," he said.

"The authority's set-up will be governed by law. In this respect, Legco [the Legislative Council] would consider all public suggestions before enacting laws on the formation of the authority."

The Government and legislators, he added, would listen to various sectors' views.

"Suggestions such as those on how the authority should be monitored, better supervised and made more open to

the public can be forwarded for the Government's consideration," said Mr Ho, also a local delegate to the Chinese People's Political Consultative Conference.

He did not think the authority's membership would straddle 1997.

"China is concerned about Hong Kong's future well being. That is why it is worried. But it does not matter since Hong Kong is a free place. When people express their opinions, we will listen," he said.

The Senior Legislative Councillor, Mr Allen Lee Peng-fei, said the future authority would not grow into an "independent empire".

"It has to be independent of the Government to ensure efficient management and financial arrangements. After all, it has to operate in accordance with law," he said.

Executive Councillor Mrs Rosanna Tam Wong Yick-ming objected to Mr Lu's suggestion that the Government should discuss with China the authority's membership.

"I believe that before 1997, the Hong Kong Government is empowered to make decisions on appointments," she said.

"Of course, we do not know at this stage whether the authority's operation will continue after 1997. But I am worried that if we discuss with China about appointments now, this will set a precedent and undermine the implementation of the 'high degree of autonomy' promised to Hong Kong."

The PAA, chaired by Financial Secretary Sir Piers Jacobs, was formed last April to pave the way for a permanent body to oversee the airport project and its future operation.

Of its 11 members appointed by the Governor, six are from the private sector.

Mr Ho is a director of the Fook Lee Construction Company, while his fellow members include Mr Jack Tang Chi-chien, chairman of the South Sea Textile Manufacturing Company; Mr David Gledhill, Swire Pacific chairman; Mr John Bond, executive director of the Hong Kong and Shanghai Banking Corporation; Mr Anthony Leung, senior executive of Citibank NA; and Mr Vincent Lo Hong-sui, chairman of the Shui On Group.

Government officials in the provisional body are the Secretary for Transport, Mr Michael Leung Man-kin; the Secretary for Economic Services, Mrs Anson Chan Fang On-sang; the Secretary for Monetary Affairs, Mr David Nendick; the Secretary for Works Mr Kenneth Kwok Wai-kai and the Director of Civil Aviation Mr Peter Luk Kung-nam.

The authority's chief executive post has yet to be filled.

Shenzhen Mayor Seeks Hong Kong Investments *HK1212020390 Hong Kong HONGKONG STANDARD (BUSINESS STANDARD) in English 12 Dec 90 p 1*

[By Cheung Lai-kuen]

[Text] The mayor of Shenzhen Zheng Liangyu, arrived in Hong Kong yesterday for a three-day commercial visit.

A source in Shenzhen said this was Mr Zheng's first visit to the territory since taking up office in the middle of this year.

Mr Zheng was accompanied by his deputy Li Guangzhen.

The mayor is scheduled to make courtesy calls on officials of China-backed commercial institutions in Hong Kong, to thank them for supporting developments in Shenzhen's special economic zone over the past 10 years.

The Bank of China Hong Kong, Macao Regional Office, China Resources Holdings, China Everbright Holdings and China Merchants, are among the institutions on the visiting mayor's agenda.

These companies are considered among Shenzhen's major investors.

The mayor and his deputy will seek both the support of these institutions as well as Hong Kong investors for a number of new projects, the source said, although he refused to divulge the nature of these developments.

Mr Zheng is scheduled to host a reception tonight which is expected to be attended by leading businessmen and bankers, the source said.

A China analyst said Mr Zheng might come with some new instructions from the leadership in Beijing.

The analyst said Mr Zheng might take the opportunity to exchange messages between Beijing and Shenzhen's business partners in Hong Kong.

The source said Mr Zheng would return to Shenzhen on Thursday to chair Shenzhen's Party Consultation Conference which begins on Friday.

But he would return to Hong Kong next week to officiate at the opening of Shenzhen's Industrial Products Fair on Tuesday.

Shenzhen To Boost Economic Ties

*OW1312070490 Beijing XINHUA in English
0152 GMT 13 Dec 90*

[Text] Hong Kong, December 13 (XINHUA)—Zheng Liangyu, mayor of Shenzhen, called on the Hong Kong Trade Development Council headquarters here Wednesday.

At a meeting with Jack So, executive director of the council, Zheng said: "Our economic cooperation has become so vital that we are now virtually indispensable to each other."

So told the mayor that Hong Kong is well-positioned to be a shop window for Shenzhen to promote its products to the international markets.

Both of them pledged to further boost the existing strong economic cooperation between the two places.

Shenzhen-Kowloon Customs Requirements Tightened

*OW1212052090 Beijing XINHUA in English
0236 GMT 12 Dec 90*

[Text] Shenzhen, December 12 (XINHUA)—The Shenzhen-Kowloon Customs Department declared today that from January 1 next year customs will require trucks to display the new mark "Kowloon Customs."

Drivers who pass through customs are required to purchase tickets from the Hong Kong China Travel Service. Customs personnel will then attach the new marks to the trucks after they have checked the tickets.

A customs official said that the aim of the new regulation is to improve port management, and to ensure the smooth movement of trucks at the customs checkpoint.

Pledge To Curb Car Smuggling From Hong Kong

*HK1212020190 Hong Kong SOUTH CHINA
MORNING POST in English 12 Dec 90 p 7*

[Text] China has taken measures to help curb stolen cars being smuggled from Hong Kong to China, a senior Guangdong official said yesterday.

The province's secretary-general, Mr Chan Kaizhi, said they included border control and spot checks of vehicles, and they were closely inspecting speed-boats in Chinese coastal areas and container trucks entering the mainland.

The provincial authorities had also tried to track down the origin of unlicensed vehicles, he said.

Guangdong's Governor, Mr Ye Xuanping, said they had found a number of stolen cars from Hong Kong.

He admitted that corruption among border control and custom officials as well as private companies, including transport agents, had made the problem worse.

Mr Ye, however, said they would step up efforts to solve the problem.

Guangxi Pledges Border Controls on Vietnamese

*HK1312024490 Hong Kong SOUTH CHINA
MORNING POST in English 3 Dec 90 p 3*

[By Shirley Yam in Guangxi]

[Text] The Guangxi government yesterday pledged to tighten its border controls to help cut the number of Vietnamese boat people flowing into Hong Kong through the province.

But it told visiting Chief Secretary Sir David Ford that it would be much better if the Hong Kong Government adopted a tougher stance and abolished its port of first asylum policy.

Vice-chairman Mr Yuan Zhengzhong said the number of illegal immigrants using Guangxi as a stepping stone to Hong Kong had recently been reduced by tighter border controls.

"We are prepared to offer any assistance within our ability," said chairman Mr Cheng Kejie.

Speaking after a three-hour meeting with Mr Yuan, Sir David said he was impressed by the measures being taken by the Guangxi authorities.

They had been taking a strict view of boat people who landed for provisions, refusing to provide them with food or water. This was encouraging, Sir David said.

But he said he was also told that the Guangxi authorities had found it difficult to man their long border and prevent people from passing by sea.

Mainland officials said they would act on any information provided by the Hong Kong Government about how the boat people managed to sneak into the territory.

This information, gathered by questioning boat people in Hong Kong, would be passed on to the Guangxi government through the local branch of the New China News Agency.

Mr Yuan side-stepped questions on whether corrupt officials were selling provisions to the Vietnamese to allow them to continue their journey to Hong Kong.

"Whether those people really went to Hong Kong through Guangxi is an important question," Mr Yuan said.

"They can well say so in interviews with Hong Kong immigration officials, but the question is whether this is the real situation."

Sir David said: "It is not an easy problem. We are not going to be able to produce a rabbit out of a hat on this occasion saying 'we have solved it'."

Sir David said the two governments would continue to exchange information on the issue.

This is Sir David's first visit to Guangxi, and today he will travel to Beihai, one of the most popular coastal stops for the boat people.

Vietnamese Boat People Set Protest Fire

*OW1412094390 Tokyo KYODO in English 0836 GMT
14 Dec 90*

[Text] Hong Kong, Dec. 14 KYODO—Seven Vietnamese boat people in detention in Hong Kong were hospitalized Friday after setting fire to their blankets in an apparent protest over their status as nonrefugees.

The seven were part of a group of 10 Vietnamese men who had been on hunger strike since last Sunday, according to a spokesman for Hong Kong's Correctional Services Department (CSD).

It is understood that the men were protesting at having been given nonrefugee status under the Hong Kong Government's boat people screening process, and thus liable for mandatory return to Vietnam.

They were being held at the CSD-run Whitehead Detention Center, Hong Kong's largest boat people camp with some 22,000 inmates.

It is uncertain if the fire was deliberately started, or if the seven were trying to commit suicide, the spokesman said.

The fire began at about 9:15 a.m., and was quickly put out by CSD officers. The seven were treated for minor injuries at a camp clinic, before being transferred to the Prince of Wales Hospital for observation.

There are currently 56,262 Vietnamese boat people held in Hong Kong, and only about 8,000 have been screened as refugees eligible for settlement in third countries.

Boat People Return to SRV Under UN Program

*OW1312202890 Beijing XINHUA in English
1630 GMT 13 Dec 90*

[Text] Hong Kong, December 13 (XINHUA)—A group of 175 Vietnamese boat people left here for home by air

today under the voluntary repatriation program of the United Nations High Commissioner for Refugees.

The 175 boat people, comprising 62 men, 43 women, 34 boys and 36 girls, were the 44th batch to go back under the program.

Since the voluntary repatriation program started in March last year, a total of 6,095 Vietnamese boat people have returned.

Macao

Macao Basic Law Committee Member Taken Ill

*HK1412020190 Hong Kong SOUTH CHINA
MORNING POST in English 14 Dec 90 p 2*

[Text] The vice-chairman of the Macao Basic Law Drafting Committee, Professor Qian Weichang, was taken to hospital yesterday in Guangzhou suffering from heart trouble.

Professor Qian, also a vice-chairman of the Chinese People's Political Consultative Conference, had been taking part in a meeting of the drafting committee.

PRC Sports Cooperation Agreement Signed

*OW1312115290 Beijing XINHUA in English
1049 GMT 13 Dec 90*

[Text] Macao, December 13 (XINHUA)—China will send its first-class coaches to Macao to promote the sports of the region.

Chinese State Physical Culture and Sports Commission signed an agreement with Macao sports authority here on Wednesday night.

According to the agreement, China will send coaches to Macao to help train athletes in accordance to its sports development situation and specific requirements.

It is learned that China will send coaches in badminton, table-tennis, wushu and swimming to Macao in next January or February.

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